

Also, petition of Charles S. Hopper, jr., urging tax on stocks, bonds, and financial paper—to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of Porto Rico, favoring a tariff on sugar and coffee—to the Committee on Ways and Means.

Also, petition of President Van Cleave, of St. Louis, favoring a tariff commission—to the Committee on Ways and Means.

Also, petition of Charles H. Schmitz, of New York City, favoring duty on lithographic supplies—to the Committee on Ways and Means.

Also, petition of Luyties Brothers, favoring amendment to the tariff bill to encourage the sale and exportation of articles of domestic manufacture—to the Committee on Ways and Means.

Also, petition of the Columbus Industrial Alliance, favoring protection along certain lines—to the Committee on Ways and Means.

Also, petition of Hawley & Hoops, protesting tax on cocoa beans—to the Committee on Ways and Means.

Also, petition of National Manufacturers' Association, protesting reduction of tariff on lumber—to the Committee on Ways and Means.

Also, petition of W. Van Lubken, favoring removal of duty on sugar—to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of Porto Rico, favoring duty on coffee, sugar, and tobacco—to the Committee on Ways and Means.

Also, petition of Business Men's Association of South Norwalk, Conn., for placing paper on free list—to the Committee on Ways and Means.

Also, petition of Cattle Raisers' Association of Texas, for retention of duty on hides—to the Committee on Ways and Means.

Also, petition of Fred Gutman & Co. of New York, for reduction of duty on safety matches—to the Committee on Ways and Means.

Also, petition of Yellow Pine Exchange, favoring a bill to remove discriminations against American sailing vessels in the coasting trade—to the Committee on the Merchant Marine and Fisheries.

By Mr. HANNA: Petition of many citizens of North Dakota, favoring reduction of duty on raw and refined sugars—to the Committee on Ways and Means.

By Mr. HARRISON: Paper to accompany bill for relief of Joseph Nester and James Tucker—to the Committee on Invalid Pensions.

By Mr. HAYES: Petition of American Masters, Mates, and Pilots, of California Harbor No. 15, against reduction of tariff on lumber—to the Committee on Ways and Means.

By Mr. LINDBERGH: Petition of citizens of Kensington and Howard Lake, Minn., against proposed reduction in tariff on barley—to the Committee on Ways and Means.

Also, petition of Commercial Club of Osakis, favoring repeal of duty on raw and refined sugars—to the Committee on Ways and Means.

By Mr. MORGAN of Missouri: Petition of Samuel Miller, W. A. Joslin, L. S. Thurman, and other citizens of the Fifteenth Congressional District of Missouri, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. MURPHY: Petition of various farmers' unions of the Sixteenth Congressional District of Missouri, favoring a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. ROBINSON: Petitions of J. P. Wait and others, of Altheimer; L. H. Morpew and others, of Stuttgart; Murphey Martin Drug Company, of Pine Bluff; Grand Rapids Transfer Company, of Hot Springs; Globe Shoe and Clothing Company, of Malvern, all in the State of Arkansas, protesting against the establishment of a parcels-post system—to the Committee on the Post-Office and Post-Roads.

By Mr. SABATH: Paper to accompany bill for relief of Charles E. Malin—to the Committee on Claims.

Also, petition of Stereotypers' Union, No. 4, of Chicago, and Chicago Mailers' Union, No. 2, favoring same postage rates on second-class mail in town where papers are printed as out of town—to the Committee on the Post-Office and Post-Roads.

By Mr. SULZER: Petition of Arthur Folk, of New York, against an increase of duty on tobacco and upholding action of the Senate committee—to the Committee on Ways and Means.

Also, petition of the Durbrow & Hearne Manufacturing Company, of New York, against increase of duty on embroidery machines and needles for the same—to the Committee on Ways and Means.

## SENATE.

FRIDAY, April 30, 1909.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington. The Journal of yesterday's proceedings was read and approved.

## FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact filed by the court in the following causes:

In the cause of Alice H. Pierce, widow of Allen W. Pierce, deceased, *v. The United States* (S. Doc. No. 25); and

In the cause of Herbert Harlan and William Beatty Harlan, administrators cum testamento annexo of the estate of David Harlan, deceased, *v. The United States* (S. Doc. No. 26).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

## PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented house joint resolution No. 9, of the general assembly of Iowa, which was referred to the Committee on Privileges and Elections and ordered to be printed in the RECORD, as follows:

STATE OF IOWA.

SECRETARY OF STATE.

I, W. C. Hayward, secretary of state of the State of Iowa, do hereby certify that the attached instrument of writing is a true and correct copy of house joint resolution No. 9, as passed by the thirty-third general assembly and approved by the governor April 12, A. D. 1909, as the same appears of record in this office.

In testimony whereof I have hereunto set my hand and affixed the seal of the secretary of state of the State of Iowa.

Done at Des Moines, the capital of the State, April 24, 1909.

[SEAL.]

W. C. HAYWARD,  
Secretary of State.

## House joint resolution 9.

Joint resolution of the thirty-third general assembly of the State of Iowa, making application to the Congress of the United States to call a convention for proposing amendments to the Constitution of the United States.

Whereas we believe that Senators of the United States should be elected directly by the voters; and

Whereas to authorize such direct election an amendment to the Constitution of the United States is necessary; and

Whereas the failure of Congress to submit such amendment to the States has made it clear that the only practicable method of securing submission of such amendment to the States is through a constitutional convention, to be called by Congress upon the application of the legislatures of two-thirds of all the States: Therefore be it

Resolved by the general assembly of the State of Iowa:

SECTION 1. That the legislature of the State of Iowa hereby makes application to the Congress of the United States, under Article V of the Constitution of the United States, to call a constitutional convention for proposing amendments to the Constitution of the United States.

SEC. 2. That this resolution, duly authenticated, shall be delivered forthwith to the President of the Senate and Speaker of the House of Representatives of the United States, with the request that the same shall be laid before the said Senate and House.

Approved April 12, A. D. 1909.

The VICE-PRESIDENT presented a memorial of the congress of the Knights of Labor of Albany, N. Y., remonstrating against a reduction of the duty on wood pulp and print paper, which was ordered to lie on the table.

He also presented a petition of sundry employees of the Case Cutlery Company, of Kane, Pa., praying for the retention of the proposed duty on imported knives or erasers, which was ordered to lie on the table.

He also presented petitions of sundry citizens of New York, Massachusetts, Georgia, Illinois, Indiana, Kentucky, Minnesota, Maryland, South Carolina, Arkansas, Michigan, Oregon, Texas, Virginia, Oklahoma, Nebraska, North Dakota, Idaho, Tennessee, West Virginia, Indiana, Maine, Ohio, Wisconsin, Washington, Idaho, Louisiana, and Pennsylvania, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. SHIVELY presented petitions of sundry citizens of Indianapolis, Boswell, Fishers, Evansville, and Fairlance, all in the State of Indiana, praying for the repeal of the duty on raw hides, which were ordered to lie on the table.

Mr. DILLINGHAM presented petitions of sundry citizens of East Bethel, Newbury, West Woodstock, and Burlington, all in the State of Vermont, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. BRISTOW presented petitions of sundry citizens of Norwood, Lane, Hunter, Winfield, Ellsworth, Zurich, Caldwell, Canton, Garnett, Burns, and Argonia, all in the State of Kansas, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. FRYE presented petitions of sundry citizens of Argyle and Riverton, Me., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. BRANDEGEE presented petitions of sundry citizens of Meriden, New Haven, Danbury, Stonington, New London, Watertown, Ansonia, Franklin, Hartford, and Willimantic, all in the State of Connecticut, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a petition of Local Union No. 100, International Typographical Union, of Norwich, Conn., praying for a reduction of the duty on print paper and wood pulp, which was ordered to lie on the table.

Mr. PILES presented a petition of Local Union No. 202, International Typographical Union, of Seattle, Wash., and a petition of Local Union No. 65, International Stereotypers and Electrotypers' Union, of Seattle, Wash., praying for a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented a petition of sundry coal and coke companies of Seattle, Wash., praying for the retention of the present duty of 67 cents per ton on coal, which was ordered to lie on the table.

Mr. LODGE presented petitions of sundry citizens of East Bridgewater and New Bedford, in the State of Massachusetts, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a memorial of sundry citizens of East Bridgewater, Mass., remonstrating against the imposition of a duty on tea, which was ordered to lie on the table.

Mr. WARNER presented a joint resolution of the legislature of Missouri, which was referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

JEFFERSON CITY, Mo., April 27, 1909.

Senator WILLIAM WARNER,  
Washington, D. C.

DEAR SIR: I have the honor to inform you that the following resolution has been introduced into and adopted by the Missouri senate and concurred in by the Missouri house of representatives:

"Joint resolution of the two houses of the general assembly of the State of Missouri memorializing Congress to authorize the United States Pension Bureau to accept the length of service of certain troops, known as the 'Missouri Home Guards,' as shown by the muster rolls in the office of the adjutant-general of Missouri instead of the service as shown by the report of the Hawkins-Taylor Commission.

"Whereas Gen. Nathaniel Lyon and his successor, Gen. John C. Fremont, acting under authority of a letter dated June 13, 1861, from the then Secretary of War Simon Cameron, granted to certain persons the right to organize regiments, battalions, and independent companies of troops, known as the 'Missouri Home Guards'; and

"Whereas it was through the loyalty and service of the Missouri Home Guards that this fair State was saved to the Union; and

"Whereas the Hawkins-Taylor Commission was appointed by the President in accordance with a joint resolution by the Senate and House of Representatives of the United States of America in Congress assembled, approved July 12, 1862, and revised by the joint resolution, approved February 16, 1863, reported on the time of 'actual military service of Missouri Home Guards in the field, as distinguished from services in organizing, drilling, recruiting, and in camp'; and

"Whereas the report of the said Hawkins-Taylor Commission in a number of cases shows a less number of days of service than is shown by the muster rolls in the office of the adjutant-general of Missouri, thereby making it impossible for many deserving and truly worthy soldiers to obtain pensions; and

"Whereas these troops were of great service to the Union cause and exhibited much gallantry when brought into contact with the enemy, were organized for continuous service, and should have credit for the time from enlistment to disbandment: Therefore be it

"Resolved by the senate and house of representatives of Missouri in general assembly convened, That our Senators and Representatives in Congress be requested to take such steps as may be necessary to have the Pension Bureau accept the muster rolls in the office of the adjutant-general of Missouri Home Guards in lieu of the Hawkins-Taylor Commission.

"Resolved, That a copy of these resolutions, duly authenticated, be forwarded by the secretary of state to each of our Senators and Representatives at Washington, D. C."

Given under my hand and the great seal of the State of Missouri this 27th day of April, A. D. 1909.

Respectfully submitted.

[SEAL.]

CORNELIUS ROACH,  
Secretary of State.

Mr. LA FOLLETTE presented petitions of sundry citizens of Tavera, Hewitt, Amherst, Potosi, Marshfield, Oconto, Greenleaf, Antigo, Osseo, Barton, and Excelsior, all in the State of Wisconsin, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented petitions of sundry citizens of Milwaukee and Stanley, Wis., praying for the repeal of the duty on hides, which were ordered to lie on the table.

Mr. GAMBLE presented petitions of E. Hunter and sundry other citizens of Wessington Springs, S. Dak., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. CURTIS. I present a memorial adopted at a meeting of the Independent Oil Producers and Refiners, held in the city of Washington, April 21, 1909. I ask that it lie on the table and be printed in the RECORD.

There being no objection, the memorial was ordered to lie on the table, and to be printed in the RECORD, as follows:

Memorial adopted by the meeting of Independent Oil Producers and Refiners at Washington, D. C., April 21, 1909.

To the Senate and House of Representatives of the  
United States of America in Congress assembled:

Be it remembered that we, the undersigned representatives of the independent producers and refiners of petroleum and its products this day assembled, do most respectfully represent to your honorable bodies the following facts and conclusions, and thereby show the necessity for your action, and most respectfully request that by proper enactment you impose upon the importation of crude petroleum and products thereof an ad valorem duty of not less than 50 per cent.

The facts showing the necessity for such a duty as adequate protection to the continuance and maintenance of the present interests in the production, refining, and marketing of petroleum and its products in the United States of America are as follows:

The production of crude petroleum in the United States amounts to 600,000 barrels per day, valued at \$400,000, a yearly addition to the wealth of this country of \$146,000,000. Five hundred thousand men are engaged in this industry, representing a population of 2,500,000. The Dingley law, now in effect, provides a countervailing duty. The duty imposed on our exports are as follows:

Country.	Crude, per gallon.	Refined, per gallon.
	Cents.	Cents.
Austria (Galicia).....	4.967	14.36
Germany.....		7
Roumania.....	1.14	2.84
Burma (India).....	1.66	1.66
Russia.....	2.816	16.896
Mexico.....	4.86	13.27
Canada.....	Free.	2.063
Java (Dutch East Indies).....	(*)	.37
Japan.....	(*)	4.786

\* 5.19 per cent ad valorem.

† 20 per cent ad valorem plus 20 per cent for sundries.

The Payne bill recently passed by the House of Representatives removes all duty.

Recent developments in Mexico reported from governmental as well as private investigation point to this Republic as having the largest production of petroleum in the world. Surface indications are found on both coasts. Millions of acres have been secured by large syndicates of capital on the eastern coast from the northern border to Yucatan for immediate development. Her daily production is now 10,000 barrels, and her possibilities unmeasured. A phenomenal well near Tampico, known as "Dos Bocas," is estimated to have produced 10,000,000 barrels, all of which has been destroyed by fire. This is but an indication of what may be developed at almost any point. Both high and low grades of oil are produced. Three large refineries belonging to the Waters-Pierce Oil Company are located at Mexico City, Vera Cruz, and Tampico; and a larger one at Minatitlan, near Coatzacoalcas, by an English syndicate controlled by Pearson & Son. The latter have contracted for production at 10 cents a barrel at the wells. The production lies coastwise and near tide water. Transportation by tank steamers is one of the cheapest methods of transportation, and these Mexican cities lie as near the Atlantic coast cities as Port Arthur, Tex., through which the Mid-Continent field conveys its oil to seaboard and abroad.

The possibilities of Mexico in the production of petroleum menace the life of the older and settled production of the United States whose fields are all interior at a distance of from 400 to 500 miles from seaboard.

Monopoly controls both the price of production and consumption within the States and in the markets of the world. This monopoly can avail itself of the Mexican situation and destroy what competition has been able to survive in our domestic markets. It is impossible for independent producers and refiners to participate in the advantages presented in Mexico.

The loss from shutting down unprofitable production in the United States will fall upon the independent producers who own 89 per cent of such production. The discontinuance of production in the developed fields of the States will necessarily destroy all independent refining interests. The Standard can still operate its refineries and marketing equipment by importing the cheap Mexican crude, by transferring the same through its pipe lines which connect the seaboard with interior points. It has refineries located at New York Harbor, Baltimore, Philadelphia, Pittsburg, Franklin, Olean, Rochester, Buffalo, Cleveland, Lima, Parkersburg, Whiting, East Alton, Sugar Creek, Neodesha, Corsicana, Port Arthur, and on the Pacific coast; a system of pipe lines connecting all these refineries except Corsicana and Port Arthur and the refineries on the Pacific coast with each other.

Profits of the Standard Oil Company from 1882 to 1906 are shown in testimony in the recent action of the Government against them to be \$838,783,783.16, \$348,102,078.31 being earned in the last five years. It is established in testimony that in all territory where it has no competition its prices are excessively high. With the advantage to be gained from the Mexican field free of duty, its monopoly of domestic markets could be completed.

A duty of 50 per cent ad valorem will not prohibit the importation of crude from Mexico, but will be sufficient to sustain domestic competition and keep alive the large amount of property in the hands of independent investors, producers, and manufacturers, and thereby sustain what competition still exists, and will add materially to the revenue of the Government, and that without burden upon the people.

The Pearson syndicate have contracted Mexican production at 10 cents at the wells. Twenty cents at seaboard would therefore be a maximum price for Mexican production. A duty of 50 per cent would make the cost of Mexican crude only 30 cents a barrel.

The cost of Mid-Continent crude at the wells is 41 cents a barrel. The cost of transporting it to Port Arthur, its point of export, is 54 cents, making the cost at point of export 95 cents per barrel.

The cost of transportation from Port Arthur or the Mexican ports to New York is the same, giving Mexico an advantage in the harbor of New York of 65 cents a barrel, while Pennsylvania oil delivered at seaboard commands a price of \$2.08 a barrel.



The Standard Oil Company in the past has deliberately sought to monopolize the petroleum interests, not by producing, leaving the burden of chance upon individual interests, but by buying established refining and merchandising interests to the extent of over 200 in the past, and at one time having reduced the number of competitive refineries to less than 10.

Under the recent enactments of Congress—the Elkins law, the anti-trust law, and the interstate-commerce law—Independent competition has increased, and if protected and kept alive will continue to increase, extending advantage to the consuming public in nearly all the States similar to that now enjoyed in such States as Ohio, Pennsylvania, Kansas, and Oklahoma.

Possibility of production exists in nearly all the States of the Union, but no encouragement for further development will be found against the enormous possibilities of Mexico without adequate protection. And it will be entirely sufficient if the duty asked is limited to the crude produced upon the American Continent, as the matter of duty against oil-producing countries across the sea has heretofore been and is now a matter of indifference to American producers and refiners.

No Senator or Member of Congress should be deceived with the idea that the importation of cheap Mexican crude would ultimately decrease the price to the consuming public in the States. The Standard monopoly only are in position to bring the Mexican product into the United States, to mingle it with the better quality of crudes produced in the States, to transport it cheaply to the interior, to refine and dispose of it after it is imported; while the cost of production, transportation, manufacturing, and distributing would be less to them than possible to anyone else owing to the facilities they have of tank steamers and pipe lines for transportation, refineries located at various points in the interior for manufacture, and their complete avenues of distribution. Experience has shown that when such advantages are in the hands of monopoly their products are no longer cheap to the people. They have been charged with being a system that takes the last dollar. Investigations of the Government have shown that to be true. The Commissioner of Corporations, in his report on the petroleum industry, part 2, page 669, says:

"The conclusion is therefore irresistible that the real source of the Standard's power is not superior efficiency, but unfair and illegitimate practices. The Standard has failed to give the public any of the advantage of such superior efficiency as it does possess, but, on the contrary, by unfair methods, it has been able to extort profits over and above all the savings due to its efficiency."

It must not be forgotten that owing to the high cost of production in all of the fields of the States as compared with the production in Mexico the introduction of large quantities of Mexican crude would close down and destroy the productive fields of this country; that the Standard are interested in such production to only a small per cent of their values, and would therefore not be materially affected by the shrinkage and destruction of American production; that, on the other hand, the value of their refineries, pipe lines, tank steamers, tank cars, tank stations, and tank wagons would be of equal utility and, consequently, of unimpaired value to them, whether running the oils of the Appalachian, Illinois, or Mid-Continent fields, or the fields of Mexico, while the immediate and direct result of a suspension of production in the States would be to close every independent refinery and render their entire investments valueless.

It is this condition that joins the protest of producers and refiners in this memorial to your honorable bodies; and it is for this reason that individually and collectively we are petitioning you to give us relief by fixing a duty of not less than 50 per cent ad valorem. Such a duty will necessarily be a basis of revenue to the Government, will be the means of sustaining the only hope of lower prices by independent competition, will be a partial shield against the establishment of absolute monopoly of the oil business by the Standard Oil Company within our States.

Respectfully submitted,

Thomas W. Phillips, Newcastle, Pa., independent producer; Joseph A. Scofield, Warren, Pa., independent producer and refiner; T. B. Westgate, Titusville, Pa., independent producer and refiner, director of Pure Oil Company; C. D. Chamberlain, Cleveland, Ohio, secretary National Petroleum Association, representing 100 different independent refiners and manufacturers of oil; Lewis Emery, jr., Bradford, Pa., producer and refiner, representing 600 miles of pipe lines of his own in the fields; J. S. Scully, Pittsburg, Pa., independent producer; Thomas Gartland, Parkersburg, W. Va., independent producer; George W. Barnes, Muskogee, Okla., independent producer, member of committee from the Midcontinent Oil and Gas Producers' Association of Oklahoma, producer of oil and shipper of oil, representing personally 300 oil wells; Howard A. Foreman, Buffalo, N. Y., independent producer, vice-president and manager of the Eastern Oil Company, producing in West Virginia, Ohio, Pennsylvania, Illinois, and Oklahoma; W. R. Tulloss, Haymarket, Va., independent oil producer; O. C. Hutchinson, Haymarket, Va., independent oil producer; J. H. McEwen, Wellsville, N. Y., vice-president of the Independent Refinery and a producer; George Forbes, Olean, N. Y., independent producer, Indiana, Oklahoma, and Pennsylvania; C. A. Farnum, Wellsville, N. Y., independent producer, producing in New York and Oklahoma; Jerome B. Fischer, Jamestown, N. Y., independent producer and representing independent producers in Pennsylvania, West Virginia, Ohio, and Illinois; M. McCormick, Nowata, Okla., independent producer of Oklahoma, representing the Midcontinent Oil and Gas Producers' Association; George White, Marietta, Ohio, independent producer, representing southeastern Ohio producers; Justin Bradley, Bolivar, N. Y., independent producer; George Bradley, Bolivar, N. Y., independent producer of New York, Pennsylvania, and Oklahoma; A. J. Hastings, Olean, N. Y., independent producer and representing independent producers operating in New York, West Virginia, Ohio, Illinois, and Oklahoma; W. R. Page, Olean, N. Y., independent producer; M. G. Fitzpatrick, Olean, N. Y., representing Norfolk Oil Company, independent producers operating in Ohio, Indiana, and Oklahoma; A. C. Hawkins, Bradford, Pa., independent producer, Pennsylvania, West Virginia, and Illinois; J. W. Hamp-

sher, Bolivar, N. Y., independent producer of New York, Pennsylvania, and director of independent refinery; W. R. Truby, Pittsburg, Pa., independent producer in Pennsylvania, Virginia, and Illinois; J. F. Guffey, Pittsburg, Pa., independent producer, Pennsylvania, West Virginia, and Illinois; Benjamin E. Phillips, Butler, Pa., independent producer; John A. Bell, Pittsburg, Pa., independent producer in Illinois, Oklahoma, and Pennsylvania; E. H. Jennings, Pittsburg, Pa., independent producer in all producing States and director of the Pure Oil Company; W. H. Mauris, Tulsa, Okla., independent producer in Pennsylvania, Illinois, and Oklahoma, representative of the Midcontinent Oil and Gas Producers' Association; J. P. Herrick, Bolivar, N. Y., independent producer in Pennsylvania, New York, and director independent refinery and independent pipe line; E. W. Moore, Pittsburg, Pa., representing Federal Oil and Gas Company of Oklahoma and independent producers of Pennsylvania; George S. Davison, Beaumont, Tex., representing the Gypsy Oil Company, independent producer in Oklahoma, J. M. Guffey Petroleum Company, independent producer in Texas, Gulf Refining Company of Louisiana, independent in Louisiana, Gulf Pipe Line Company, Gulf Refining Company of Texas, independent refiner; A. T. Fancher, Bartlesville, Okla., independent producer in Oklahoma, Illinois, Indiana, and Pennsylvania, and one of the representatives of the Midcontinent Oil and Gas Producers' Association; Franklin D. Locke, Buffalo, N. Y., representing the Eastern Oil Company of Buffalo, N. Y., operating in all the fields; H. W. Kiskaddon, Pittsburg, Pa., independent producer in Pennsylvania, representing the Crown Petroleum Company, Independent Tradesmen Oil Company, and independent interests in Oklahoma; C. A. Holton, Beaver, Pa., representing Kelly Brothers and Kepper, independent operators; Charles E. Baker, Washington, Pa., independent producer; W. W. Tarbell, Philadelphia, Pa., treasurer Pure Oil Company, representing the Pure Oil Company and its subsidiary companies, consisting of the Quaker Oil and Gas Company of Oklahoma, the Pure Oil Producing Company of Pennsylvania and West Virginia, the Pure Oil Operating Company of Illinois, the Producers' and Refiners' Oil Company (Limited), the United States Pipe Line Company, the Pure Oil Company Pipe Line Company, pipe-line systems from the eastern oil fields to the seaboard at Marcus Hook, Pa., together with refineries, bulk tank steamers, and marketing organizations, domestic and foreign; J. C. Trees, Caddo, La., large producer in Louisiana and representing the Louisiana producers; J. K. Tener, Charleroi, Pa., Member of Congress from Pennsylvania; E. V. Vreeland, Salamanca, N. Y., Member of Congress from New York; George C. Sturgiss, Member of Congress from West Virginia; H. B. Martin, Pennsylvania, independent producer, independent oil-well tool manufacturing; W. E. Ryan, Washington, D. C., geologist, examining in the prospective oil fields of Virginia; Victor Speer, Buffalo, N. Y., independent producer representing eastern oil companies; N. V. V. Franchot, Olean, N. Y., former president, now chairman, of the Washington committee of the Midcontinent Oil and Gas Producers' Association of Oklahoma and Kansas, the association representing 87 per cent of the independent producing interests of those two States; J. A. Graham, Los Angeles, Cal., independent producer; C. P. Craig, St. Marys, W. Va., independent producer, representing independent producers; W. S. Allen, Parkersburg, W. Va., independent producer; H. C. Woodyard, Member of Congress from West Virginia; Jos. Williams, St. Marys, W. Va., independent producer; Lyman Stewart, California, president Union Oil Company; L. K. Hyde, New Jersey, vice-president Pure Oil Company; W. W. Dashiell, New York, president New York Lubricating Oil Company; W. L. Parmenter, Lima, Ohio, independent producer; L. G. Neely, Ohio, independent producer; L. Levick, Crew-Levick Company, Philadelphia, independent refiner; H. R. Worthington, Union Petroleum Company, Philadelphia, independent refiner; W. N. Fehsenfeld, Baltimore, Md., president Red "C" Oil Manufacturing Company, independent refiner; C. B. Dallam, Baltimore, Md., president Pittsburg Oil Refining Company, independent refiner; Frank B. Tetter, Cleveland, Ohio, secretary National Refining Company, independent refiner; E. O. Emerson, jr., Tulasu, Pa., independent producer; George Canfield, Cleveland, Ohio, president Canfield Oil Company, independent refiner; A. P. McBride, Independence, Kans., independent producer; Doctor Road, Bartlesville, Okla., independent producer; Homer Preston, Bartlesville, Okla., independent producer.

WASHINGTON, D. C., April 21, 1909.

#### BILLS INTRODUCED.

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. BURKETT:

A bill (S. 2180) to amend sections 1, 2, and 3 of chapter 3298, Thirty-fourth United States Statutes at Large, with reference to the drainage of certain Indian lands in Richardson County, Nebr.; to the Committee on Indian Affairs.

A bill (S. 2181) granting an increase of pension to John Ross-work (with the accompanying papers);

A bill (S. 2182) granting a pension to Catherine Kelly (with the accompanying papers);

A bill (S. 2183) granting an increase of pension to Maria Van Kleek;

A bill (S. 2184) granting an increase of pension to George W. Patton;

A bill (S. 2185) granting an increase of pension to Mary J. Cook;

A bill (S. 2186) granting an increase of pension to John P. Miller;

A bill (S. 2187) granting an increase of pension to Milton I. Woodard;

A bill (S. 2188) granting a pension to Lydia A. Holmes; and

A bill (S. 2189) granting an increase of pension to Thomas A. Peironet; to the Committee on Pensions.

By Mr. SHIVELY:

A bill (S. 2190) granting a pension to Libbie Gift;

A bill (S. 2191) granting an increase of pension to Simon Burris;

A bill (S. 2192) granting an increase of pension to Joshua F. Spurlin;

A bill (S. 2193) granting an increase of pension to John W. Edwards; and

A bill (S. 2194) granting an increase of pension to Daniel Dempsey; to the Committee on Pensions.

By Mr. BRISTOW:

A bill (S. 2195) to provide for the enlargement of the federal building at Salina, Kans.; to the Committee on Public Buildings and Grounds.

A bill (S. 2196) to remove the charge of desertion against George W. Collins, alias George C. Jones; to the Committee on Military Affairs.

A bill (S. 2197) granting an increase of pension to George Wolf (with accompanying papers); to the Committee on Pensions.

By Mr. BROWN:

A bill (S. 2198) to remove the charge of desertion from the military record of Samuel Goozee (with the accompanying paper); to the Committee on Military Affairs.

By Mr. PILES:

A bill (S. 2199) granting an increase of pension to Elwood D. Harold (with accompanying papers); to the Committee on Pensions.

By Mr. LODGE:

A bill (S. 2200) to refund internal-revenue taxes paid by owners of private dies; to the Committee on Claims.

By Mr. WARNER:

A bill (S. 2201) for the relief of John R. Adams;

A bill (S. 2202) for the relief of John P. Bell, treasurer of State Hospital No. 1, of Fulton, Mo.;

A bill (S. 2203) to carry into effect the findings of the Court of Claims in the matter of the claim of Nannie H. Cogswell and others;

A bill (S. 2204) for the relief of Joseph Hemmerback; and

A bill (S. 2205) for the relief of William McDaniel; to the Committee on Claims.

A bill (S. 2206) to provide for the purchase of a site and the erection of a public building thereon at Chillicothe, in the State of Missouri;

A bill (S. 2207) to provide for the purchase of a site and the erection of a public building thereon at Aurora, in the State of Missouri;

A bill (S. 2208) to provide for the purchase of a site and the erection of a public building thereon at Brookfield, in the State of Missouri;

A bill (S. 2209) to provide for the purchase of a site and the erection of a public building thereon at Trenton, in the State of Missouri; and

A bill (S. 2210) providing for the establishment of a public park in the District of Columbia; to the Committee on Public Buildings and Grounds.

A bill (S. 2211) to remove the charge of desertion from the military record of John Ziegler;

A bill (S. 2212) for the relief of John O'Connor;

A bill (S. 2213) for the relief of John N. Neal;

A bill (S. 2214) for the relief of Charles W. Howard; and

A bill (S. 2215) to change the date of commission of Col. John L. Chamberlain, Inspector-General, United States Army; to the Committee on Military Affairs.

A bill (S. 2216) granting a pension to William Whisler;

A bill (S. 2217) granting an increase of pension to James W. Coker;

A bill (S. 2218) granting an increase of pension to Pete T. Murphy;

A bill (S. 2219) granting an increase of pension to Archibald T. Stewart;

A bill (S. 2220) granting an increase of pension to N. B. Petts;

A bill (S. 2221) granting a pension to Robert D. Walkinshaw;

A bill (S. 2222) granting an increase of pension to Nathaniel E. Murphy;

A bill (S. 2223) granting an increase of pension to Archibald Goodwin;

A bill (S. 2224) granting an increase of pension to William A. Graham;

A bill (S. 2225) granting an increase of pension to Theodore M. Burge;

A bill (S. 2226) granting an increase of pension to Christine Lusk;

A bill (S. 2227) granting an increase of pension to Sophrona Watts;

A bill (S. 2228) granting an increase of pension to Thomas M. Skaggs;

A bill (S. 2229) granting a pension to Jacob Scott;

A bill (S. 2230) granting an increase of pension to Eli Fish;

A bill (S. 2231) granting an increase of pension to Peter A. Teachout;

A bill (S. 2232) granting an increase of pension to William P. Brown;

A bill (S. 2233) granting an increase of pension to Josiah Tilton;

A bill (S. 2234) granting an increase of pension to Richard H. L. Crumbaugh;

A bill (S. 2235) granting an increase of pension to Richard E. Lewis;

A bill (S. 2236) granting an increase of pension to Lucien W. Dunnington;

A bill (S. 2237) granting an increase of pension to Amanda J. Frybarger;

A bill (S. 2238) granting a pension to George Patterson;

A bill (S. 2239) granting an increase of pension to Phillip C. Cooter;

A bill (S. 2240) granting an increase of pension to William P. Sparks;

A bill (S. 2241) granting an increase of pension to Joshua Oldfield;

A bill (S. 2242) granting an increase of pension to Samuel Owings;

A bill (S. 2243) granting an increase of pension to John H. Ormsby;

A bill (S. 2244) granting an increase of pension to Kate Mikel;

A bill (S. 2245) granting an increase of pension to Adam Herzinger;

A bill (S. 2246) granting an increase of pension to John Noble;

A bill (S. 2247) granting a pension to Jared E. Smith;

A bill (S. 2248) granting an increase of pension to Louise B. Angle;

A bill (S. 2249) granting an increase of pension to Agnes Hanson;

A bill (S. 2250) granting a pension to James C. Tryon;

A bill (S. 2251) granting an increase of pension to Isaac C. Temple;

A bill (S. 2252) granting an increase of pension to Michael Welsh;

A bill (S. 2253) granting an increase of pension to Marquis A. Dowd;

A bill (S. 2254) granting an increase of pension to John Schenk;

A bill (S. 2255) granting a pension to Joe B. Daniel;

A bill (S. 2256) granting a pension to William S. Judkins;

A bill (S. 2257) granting a pension to George B. Suttee;

A bill (S. 2258) granting an increase of pension to John A. Pond; and

A bill (S. 2259) granting an increase of pension to John H. Estes; to the Committee on Pensions.

By Mr. PERKINS:

A bill (S. 2260) granting an increase of pension to Margaret J. Harvey (with the accompanying paper); to the Committee on Pensions.

#### AMENDMENTS TO THE TARIFF BILL.

Mr. GAMBLE submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

Mr. BURKETT submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue,



equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

#### RAILROAD RATES IN MISSOURI, ETC.

Mr. WARNER. I submit a resolution and ask that it be read.

Mr. HALE. The resolution seems to be quite lengthy. Will it not suit the Senator's purpose if it is printed in the RECORD, instead of being read?

Mr. WARNER. I will say to the Senator from Maine that there are exhibits and evidence submitted with the resolution. The resolution comprises about a page and a half.

Mr. HALE. The reading will not include the exhibits?

Mr. WARNER. I do not ask that those be read.

The VICE-PRESIDENT. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 41), as follows:

#### Senate resolution 41.

Whereas under the provisions of the laws of the United States, it is the duty of railroads engaged in interstate traffic to carry freight and passengers at fair, reasonable, and equal rates, and not to charge or impose upon passengers or shippers of freight charges in excess of amounts sufficient to give to said railroad companies a reasonable return upon the value of their investments, after the payment of operating expenses and the cost of replacement and repair; and

Whereas 18 railroads, including a number of the leading trunk lines of the country, have been recently engaged in litigation with the State of Missouri, for the reasons, as claimed in said suits, that said laws are in violation of the fourteenth amendment to the Federal Constitution in that the rates thereby established do not give to said railroads a reasonable return upon the value of their property used in the conduct of such traffic; and

Whereas from the figures submitted by said railroads in said litigation, a copy of which is attached to this resolution, it is alleged that said railroads are charging, exacting, and receiving in their interstate traffic in the State of Missouri rates unfairly and unreasonably high and more than sufficient in amount to give to said railroads a reasonable return upon the value of their property used in said interstate traffic, after paying operating expenses and cost of repair and replacement; and

Whereas said rates, it is claimed, are being charged and exacted by said railroad companies in violation of the laws of the United States: Therefore be it

Resolved, That the Interstate Commerce Commission be instructed to institute an investigation as to the reasonableness of the rates now being charged by the railroads engaged in interstate traffic in the State of Missouri and in the States contiguous thereto, for the purpose of making such orders as said commission may deem to be right and proper in reference to said rates.

Mr. WARNER. Mr. President, I apprehend that there will be no objection to the resolution, and I ask for its present consideration.

Mr. CULBERSON. Unfortunately, I did not hear the resolution read, and in order that I may examine it, I object to its present consideration.

The VICE-PRESIDENT. The resolution will lie over until to-morrow.

#### FLAX AND HEMP.

Mr. BRADLEY. Mr. President, I desire to announce that, with the permission of the Senate, on Tuesday next, after the routine morning business, I shall submit some remarks on the flax and hemp schedule.

#### COMMITTEE SERVICE.

Mr. BANKHEAD was, on his own motion, excused from further service upon the Committee on Indian Affairs.

On motion of Mr. CULBERSON, and by unanimous consent, Mr. CHAMBERLAIN was assigned to service upon the Committee on Indian Affairs in the place of Mr. BANKHEAD, excused.

#### R. DE VALLE ZENO.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 27), which was read and, with the accompanying paper, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed.

#### To the Senate and House of Representatives:

In accordance with section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stat., 77), I have the honor to transmit herewith for the consideration of the Congress certified copy of a franchise granted by the executive council of Porto Rico, April 8, 1909, entitled "An ordinance granting to R. de Valle Zeno, his heirs, successors, and assigns, the right to take and use 3 liters of water per second for irrigation and domestic purposes from the brook Guaracanal, in the barrio Cupey, in the municipal district of Rio Piedras," approved April 14, 1909.

WM. H. TAFT.

THE WHITE HOUSE, April 30, 1909.

#### THE TARIFF.

Mr. ALDRICH. I ask that House bill 1438 be taken up.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to

provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. FLETCHER. Mr. President, others have discussed with great force the pending measure as a whole. Others still will consider it in more or less detail. I only ask the indulgence of the Senate to, as briefly as possible, offer some views which seem to me ought to be urged and carefully considered in connection with a few of the subjects embraced in this measure, and what I desire to say is suggestive rather than exhaustive. It would, perhaps, save time to present the matters now rather than separately, as they are reached, when the various items are taken up.

It is of but little moment that we get our word "tariff," personifying the raising of revenue by laying charges upon importation of goods, from the word "tendrill," describing the taxing of ships 10 per cent by the pirates of Venice, who had their headquarters at a place so designated on the coast of Africa.

#### GENERAL PRINCIPLES.

It is doubtless true that "the tariff" presents a moral issue as well as a governmental subject. Likewise, generally speaking, that when we impose a duty on the importation of merchandise, we thereby tax all consumers of such merchandise, to the distinct benefit of only those as to whom competition has thereby been diminished or shut off, and that this tax is unjust unless it is imposed for the sole purpose of raising money for the support of the Government, protection being merely incidental. It seems to me unanswerable that the Government ought not, and indeed has no constitutional warrant, to tax the people beyond what is necessary to raise revenue required in its economical administration and for governmental purposes.

Contending for this as a principle, and an important one, we must admit that revenues must be raised, and it may be doubted if the American people would willingly submit to direct taxation, or what is called "direct taxation," sufficient for that purpose. The principle mentioned was in view in 1789, when our first tariff law was passed. The law was justified then, and so was each succeeding act until 1816, which followed the war of 1812.

We began tariff legislation on this principle. It is not profitable to trace what you are familiar with, the history of that legislation to the present. If the idea and the principle be kept ever in view, that the tariff should be imposed for the purpose of raising revenue, there remains the obligation of distributing the duties on imports among the industries of the country, so as to equalize as nearly as possible the benefits as well as the burdens. Until new sources of revenue are studied out, and this is a problem calling for the wisest statesmanship and fullest patriotism, we must depend largely on the tariff. It is likely that no scheme or device for taxation will ever meet with universal favor.

#### RAISING REVENUE.

Keeping these matters in mind, I am persuaded that I am justified in suggesting to the Senate to retain the duties on lumber, as provided in the Dingley Act, and impose the duty now asked on long-staple cotton and regarding the other matters I will mention. It is not a question of excluding or preventing competition. The question of aiding or promoting a trust to prey upon the people does not arise. The question presented is one of raising revenue needed for governmental purposes. Involved is the question of equalizing, distributing its advantages and disadvantages alike to important industries, even though it appears this extends to a portion of the country where alone one of these industries exists and the other to a greater extent than in any other portion of the country, and a portion which for many years has paid the tax without receiving a corresponding advantage, but in cases where the tariff asked for will greatly increase the revenues of the country. Import duties should be fairly laid, without discrimination. I would not favor, much less suggest, a duty on a single article unless that duty would produce a proper and reasonable revenue, and I would lay that duty first on luxuries. I further believe that there should be a gradual reduction, after equalization, of duties on imports toward a strictly revenue basis. With this conception of the matter, I invite the consideration of the Senate to the conditions as they exist.

#### LUMBER.

Without reference to the hard woods or other "lumber" producing timber found in other States, the royal yellow pine is found almost exclusively in Democratic States.

Is not inconsistency highly developed in a representative from a Republican State, by way of illustration, a Republican, in favor of highest protection as a principle, wedded to it as a policy, insisting on it for the good of the country in all other cases, who, in the same breath, advocates putting lumber on the free list?

Speaking broadly, what is your estimate of a neighbor who would require you to pay a part of his taxes, but did not propose to share in yours?

How would you prize the citizen who insists upon all laws that would benefit him or his community and opposes all that would benefit other people or other communities?

How do you consider the statesmen who, having a vote on the tariff bill, would protect all the industries his constituents are concerned in and sandbag other large and important industries in other portions of the country in order that his immediate constituents may profit both ways by getting protection prices for what they may manufacture and paying free-trade prices for their supplies?

How do you class the politician who pledges his honor and his conviction that his party platform is right and the protective principle correct, and abuses those who express a shade of difference on the question, and then proceeds to clamor for cheaper homes for the dear people and the conservation of the forests by a direct violation of all his principles in the advocacy of a thrust at one of the greatest industries of the country, in which millions of capital are invested and hundreds of thousands of employees are engaged, by demanding that lumber be placed on the free list?

It seems there can be no escape from the conclusion that such a neighbor has no clear appreciation of the injunction which has come down through the ages; that such a citizen is worse than "undesirable," he approaches a menace; such a politician is perilously near being an enemy of society; such a statesman would appear to be deficient in a proper conception of his responsibilities and lacking in breadth of vision and depth of principle. There is no possible way of reconciling his positions. He subjects himself to a suspicion of being narrow and selfish to a degree wholly intolerable in a great country of vast resources, innumerable industries, with a Government yet the wisest devised by man, founded on consent of a people, free, liberal minded, patriotic, and just in spirit.

We ought not to be relegated to a condition of society described in the Book of Judges, when—

There was no king in Israel, and every man looked out for himself alone.

Sawed lumber, dutiable, imported, amounted in value to, in—

1900	\$7,495,509
1904	8,878,470
1907	16,225,350

Total dutiable manufactures of wood imported as follows:

1900	\$14,635,340
1904	18,565,180
1907	31,576,545

It will be seen the amount of dutiable lumber imported from 1904 to 1908 nearly doubled under the present law. So, the present duty does not prohibit importation. Undoubtedly the revenue derived from the present duty increases, and the present tariff is, therefore, a revenue tariff, pure and simple. There is no guess or estimate about the result. We have had actual experience and have actual knowledge upon which to base this claim.

In 1905 there were in all parts of the country 19,127 saw and planing mills in operation, with a capital of \$517,224,128, employing 404,624 wage-earners, and turning out a product valued at \$580,022,690.

In the logging industry, not included in the foregoing, there were 12,494 establishments, with a capital of \$90,454,494, and employing 146,596 wage-earners, to whom \$68,989,795 were paid.

There has been decided increase in the latter and marked increase in the former industry since 1905. The question presented is, Shall these important industries be turned over to Canada? I not only dissent, but so important is the matter to the whole country and so threatening is the situation that I feel something more than a negative vote and silence is demanded.

The best authorities show that the advance in price claimed is not chargeable to the duty and that taking off the duty would not reduce the price. The effect of the proposed change would be that our Treasury would be deprived of the duties and foreign exporters would be benefited; and our lumber manufacturers would be deprived of a market for certain low grades, and they would lose entirely certain portions of the timber which they are now able to utilize to their advantage and for which there is demand.

Logs for boards and pulp are admitted free under existing law. The notion that placing lumber on the free list would conserve the forest is a mistaken one. This has been shown quite clearly by Mr. Pinchot, who has thoroughly studied the subject and who may be regarded as high authority. Speaking from personal knowledge of conditions in Florida—and I am persuaded that similar conditions exist likewise to a great ex-

tent in South Carolina, Georgia, Alabama, and Mississippi, and perhaps Texas—the pine trees have been boxed for turpentine purposes.

In the production of naval stores (spirits of turpentine and rosin), the trees are boxed and scraped for some five years, and unless they are immediately thereafter cut and sawed by the mill man they are subject to destruction in several ways. First, the forest fires, which there appears no way of preventing, sweep over them and ignite the boxes and blazes and destroy or greatly injure the trees; second, the trees being weakened by the boxes are more liable to be blown down by high winds or storms; third, worms or borers often do deadly work after the trees are boxed. So that these trees must be utilized for sawmill purposes at once, tariff or no tariff. They can not be allowed to stand for a future day; they must be cut and taken to the mill now or never. That these forests would be saved, that the timber would be cut in less quantity if lumber is put on the free list or the duty is made lower is utterly without foundation in the very nature of things, so far, at least, as the naval-stores belt is concerned. The effect of such a reduction would be that a good portion of the trees from which low-grade lumber is made would be left in the woods because Canada will supply the markets heretofore shared. In a general way, here is an industry having existence in almost every State and Territory, its magnitude can not be questioned, it is entitled to consideration on broad, unselfish grounds. In the 16 Southern States there are 257,700,000 acres of forests, almost one-half the total forest area of the United States. These States yield more than one-half of the lumber production of the entire country. Of the total yield of 1907, yellow pine took first rank among all the species, giving 32.8 per cent of the total. Douglas fir ranked second, white pine third, and white oak fourth, and hemlock fifth, then came spruce and western pine. These seven woods yielded thirty-two and one-half billion feet of lumber in 1907, or four-fifths of the entire cut.

Yellow pine is found almost wholly in the Southern States, and from this we get naval stores. In 1907 there were 8,384 mills cutting yellow pine, and the quantity cut was 13,215,185,000 feet, valued at \$185,319,595. The value differed from the lowest average value of \$11.72 per thousand feet in Missouri to the highest average value of \$14.98 per thousand feet in Florida. That cut in Missouri is shortleaf pine, which has a home market, while the yellow pine manufactured in Florida is longleaf pine, and a considerable proportion is exported.

Can there be any moral or other reason justifying a tariff on wool and woollens ranging from 40 to 120 per cent, or on steel ranging from 20 to 120 per cent, which would apply to and harmonize with a reduction of the duties on lumber, which range from 6 to 20 per cent?

To illustrate, the actual cost to manufacture a thousand feet of lumber (finished) is about \$10. It costs about one-half this to produce a ton of steel, yet the tariff protection on a ton of steel is to be more than double what it is proposed to make it on a thousand feet of lumber. The Southern States produced in 1906 and 1907 about 45 per cent of the lumber cut of the United States. The value of the total forest products of these States for either of those years amounted to more than \$350,000,000.

It will be borne in mind that in 1872 a specific tariff was for the first time placed on lumber. Canada then placed an export duty on logs. Under a tacit agreement, it is said, that this export duty would be abolished, the McKinley tariff, which went into effect in October, 1890, reduced the duty on white pine lumber from \$2 to \$1. This did not affect the shipments of lumber materially, but the importation of logs from Canada greatly increased. The Wilson tariff went into effect August 28, 1894, and placed rough lumber and other wood products on the same basis as logs, to wit, on the free list, and this continued until the Dingley tariff became a law, July 24, 1897.

By this act the duties of \$2 per thousand feet on white pine and other species of lumber, and of \$1 on sycamore, basswood, and whitewood, originally imposed in 1872, were restored.

The value of manufactured woods imported in 1905 is given as \$22,047,054, as against \$9,146,500 in 1871.

The value of boards, planks, deals, and so forth, imported from Canada in 1905 was \$10,714,417, as against \$7,804,163 in 1889.

It is remarkable how distressed Canada is about the destruction of our forests. The plea is made that the tariff should be reduced on lumber in the interest of the consumer. Two things are assumed in this argument: First, that the price of lumber would be reduced, which I am persuaded would not follow; second, that the "consumer" is the builder of houses, whereas I have no doubt much the largest "consumers" will be found to be railroads, shipbuilders, and heavy construction works.



If there was any force in the argument, the lumber people could more reasonably turn their guns on the producers of actual necessities in the way of foodstuffs and demand, in the interest of millions of consumers of food in the United States, that the tariff should be taken off cattle, swine, sheep, corn, oats, oatmeal, rice, wheat, wheat flour, butter, cheese, beans, eggs, peas, potatoes, poultry, and other foodstuffs. The farmers are not to be fooled. In 1907 we exported sawed timber to the value of \$13,101,178, and boards, deals, and planks to the value of \$39,861,352, and joists and scantling to the value of \$752,152, making a total of exports amounting in value to \$53,714,682. Great Britain was our largest buyer. The importations were 909,537.84 feet, valued at \$15,604,216.92, the duties on which amounted to \$1,853,158.30.

The value per unit is given at \$17.16, and ad valorem \$11.88. Why should we deprive our needing Treasury of this revenue, nearly \$2,000,000 annually? No great burden to consumers can be shown. So far as Florida is concerned, I know of no trust and I believe there is the sharpest competition among lumber people.

The lumber industry has suffered from the recent financial depression in a marked degree. Orders are unsatisfactory, the prices of supplies are high, and the business is bordering on disaster. Any blow delivered now might mean ruin to many people. Some 400 mills in Florida, employing 15,000 workmen, having a capital invested of millions, all ask for a retention of the duty provided in the existing law.

I wish to submit some communications, among many received, from experienced and trustworthy men, thoroughly familiar with the subject, and resolutions from associations of mill men, giving expressions which ought not to be ignored, and incorporate them in my remarks. (See Appendix.)

Those who talk of cheaper homes are willing to strike at lumber, but we hear nothing about reducing the tariff on nails (p. 53), locks, and hardware generally; on blinds, sash, glass, weights, piping, gas and electric fixtures, laths, shingles, sheathing paper, roofing felt (sec. 403), tiles, cement, plaster, fire brick, brick, zinc, tin, and various other articles required in building a dwelling or other structure.

Scarcely any material of value used in building is on the free list. Why single out lumber for one-half reduction when the Government so greatly needs the revenue? This is not the kind of reduction that will answer or tend to answer the demand for lower prices for the necessities of life.

The cry is "more revenue;" the answer by this bill is higher duties on articles already overprotected, e. g., steel products and woollens and gloves and manufactures of cotton, where the excess of tariff duties, over and above what the principle of protection would justify, goes into the pockets of the manufacturers and not into the Treasury.

The demand is for increase of revenue. The answer by this bill is reduce the duty on lumber and diminish the revenue and help Canada; deny any duty on cotton and deprive the Government of several millions there and help England; retain the low rate on pineapples and deprive the Government of several hundred thousand dollars there and help Cuba.

#### LONG-STAPLE COTTON.

The production of cotton on an important scale began about 1790, when we produced 3,000 bales and the price was 26 cents per pound. In 1799 we produced 46,000 bales and the price was 44 cents. In 1800 production was 73,000 bales and the price 28 cents. In 1820 the production was over 300,000 bales and the price 17 cents. In the first fifty years of cotton production the price kept above 17 cents. From 1840 to 1850 it reached the low price of 5 cents per pound, and again about ten years ago. The condition of the grower when such price prevailed was deplorable. The introduction of the factory, the utilization of the seed and by-products, the use of cotton in place of wool and silk and hemp in increasing quantities have made the crop today worth more than double what it was ten years ago, and the increase in the value of the crop in one year, caused by the presence of factories at the fields, doubtless would more than pay for all the spindles in operation in the South. Even now the grower, labor and supplies having gone up, is making no tremendous profit.

The value of the exports from this crop amounts annually to \$482,000,000. It is said that if Europe had stacked up all the gold and all the silver mined from the earth for the past six years and shipped it to the South she would still owe us \$200,000,000 for our raw cotton alone.

The protection given to cotton yarns and cotton cloth may to some extent help the price of cotton. I question if the former is benefited thereby materially. There is but little of the short-staple cotton imported. There is produced in this country, however, the sea-island or long-staple cotton, which

competes with that grown in the West Indies and in the valley of the Nile.

On the free list in the pending bill are "cotton and cotton waste or flocks." The annual crop of long-staple cotton fluctuates, but the average production may be fairly estimated as follows:

Florida, 31,000 bales; Georgia, 52,000 bales; and South Carolina, 12,000 bales—of about 400 pounds each.

The producing area begins just about Charleston and extends down the coast to the Georgia line, and then it leaves the coast and extends south through Georgia into middle Florida. About one-third of the South Carolina crop gives a staple 2 to 2½ inches long, and it is sold generally for export at from 40 to 80 cents per pound. It is the finest staple produced. The "East Florida" staple is 1½ to 2 inches long; the "Florida" 1½ to 1¾ inches. The "Georgia" staple is 1½ inches long, but not so fine as the "Florida." Fineness is a factor with the spinner, and only the superlatively fine fiber brings the fancy price. Outside the islands of South Carolina the price is about 20 cents per pound.

The West Indies is the original home of the plant and produces about 4,000 bales annually. It was in 1786 that the plant was transplanted on the American continent from the West Indies. There is produced in the valley of the Nile a cotton which is capable of competing with our sea-island cotton. This rich region produces about 1,500,000 bales of 400 pounds each annually. It is a long-staple, fine-fiber cotton, and about 150,000 bales of it are imported by American mills every year at a price ranging around 15 cents per pound. It spins well and wastes about 8 per cent less in going through the various processes of preparation for the spindle than does the sea-island cotton. The Egyptian cotton wastes about 25 per cent, while the sea-island wastes about 33 per cent. The Egyptian staple is about 1½ inches long; but is preferred to the American for some purposes because of less waste and greater strength and its color.

It seems that while the Egyptian cotton is a near relation of the sea island, it can not be grown in our country. A duty of 5 cents a pound on the lint cotton would yield a revenue of \$3,000,000—150,000 bales being 60,000,000 pounds.

This cotton is used in the manufacture of mercerized silks and finer goods of the highest and most expensive class, on which this bill proposes a duty of 54 per cent, while the total wage cost is about 20 per cent.

The actual cost of producing the cotton is about \$21 per acre. The average yield is from 100 to 150 pounds of lint to the acre. The price now is less than 20 cents per pound.

Seventeen counties in Florida are now producing the long-staple cotton. It can be grown in more than half the counties of the State. Suitable soil, climate, and conditions exist in Georgia, South Carolina, and Florida, and, to a certain extent and degree, the Mississippi Delta, to supply the world, and as a revenue-producing item it would prove one of the best among all the schedules. It is an important industry. If I employed the language of the authors of this measure, I would say the farmers engaged in it very justly contend that they ought not to be forced to abandon it by competition with Egyptian cheap labor in the fertile Nile region. We pay from \$1 to \$1.25 per day for labor which in Egypt ranges about one-tenth that. The land there is very rich and does not require fertilizing like ours.

When we say the country needs the revenue which a tariff on that foreign product would yield, and such a tariff is required to help equalize the cost of production abroad with that at home, there would seem to be sufficient stated to show the propriety and justice of the claim we make from both standpoints.

In the year ending June 30, 1908, cotton was imported into this country free to the amount of 70,994,968 pounds, the value of which was \$14,164,406, at 20 cents per pound. Waste or flocks imported free amounted to 10,728,268 pounds, valued at \$446,264.14, at 4.2 cents per pound.

Duty should be imposed on all cotton imported, so there could be raised no question regarding proper designation at, say, 5 to 8 cents per pound. At 10 cents per pound the importation last year of cotton, not counting waste or flocks, would have yielded a revenue of \$7,099,496.80.

It appears that our first tariff law provided for a duty of 3 cents per pound on unmanufactured cotton, and this continued for seventy-five or eighty years. Why it was discontinued I do not know. Why there should be a duty on raw wool and no duty on raw cotton I can not guess. Perhaps for the same reason that binding twine is free and cotton bagging and ties are taxed.

A duty at the old rate of 3 cents per pound would have placed in the Treasury for the year ending August 31, 1908, \$2,152,349. The total yield last year was about 87,000 bales of 400 pounds

each. Thirty-two thousand three hundred and eighty-three bales were exported in order to make way for the Egyptian Yanovitch cotton, which directly competes with our long staple. The quantity imported from Egypt last year is given at 143,490 bales of 500 pounds each, over 71,000,000 pounds, all long staple. It is cheaper for the mills, somewhat, than the home product, but the importation would not be stopped by the imposition of the duty asked. The mills are in a position to force down the price of the domestic cotton whenever they like, and the farmer is at their mercy so long as they can lay in a supply of the foreign product free of duty.

I respectfully submit that in applying the principle of protection fairly, justly, and without discrimination, as well as in fixing a tariff for the purpose of raising revenue for the operations of the Government, under both views, there can be no reasonable objection to a duty on cotton.

England is making tremendous efforts by vast improvements and developments in the Nile region to monopolize the long-staple cotton industry of the world. Our growers have, by unions and associations, endeavored to hold and carry their cotton until the demand would produce better, living prices; but they are not capitalists, and this is their money crop, and they are obliged to let it go to meet their necessities.

#### ANY POLICY SHOULD BE NATIONAL IN SCOPE.

The distinguished chairman of this committee has declared that every portion of the country will be treated fairly by this bill, that there shall be no discrimination as to sections or industries, that its beneficent influence and effects shall extend to the remotest limits of the country, and shall include the worthy objects of protection wherever found. The friends of the protective principle claim that in its very nature it is national in scope, that protection can not be made sectional, that "the policy is bound to be national."

It is avowedly conceded that the industries of one portion of the country have the same claims as those of any other portion upon any policy that may be wise and advantageous.

If there be a demand for protection, is that demand for industries in Republican States, or is it for American industries? If there be objection to protection, is that objection applicable only to industries in Republican States? Is it confined to industries in Democratic States?

I submit that if there be a genuine demand for protection, worthy of respect, deserving of consideration, it must be a patriotic demand for the universal application of the principle to all the industries in all the country. If there be objection to the principle, that objection is to its application to any of the industries in any portion of the country.

It ought not to be a sectional question. The policy ought to be favored or opposed as a national policy. The principle ought to be applied to or discarded by the country at large. It ought not to be employed to punish or coerce.

Because a State casts her votes in favor of that political party which opposes protection as and for the sake of protection, whether the duty laid is needed for revenue or not, should not eliminate her from consideration in the making of this law. I believe that if the industries in any portion of this country languish the ill effects will be felt in all other portions. I believe that if the withering blight of discrimination is visited upon one portion of the country its baneful influence will be felt throughout the other portions. Likewise, I believe that if prosperity obtains in one portion of the country, it will be felt throughout the whole.

Coming from the extreme South, I am solicitous of the welfare of the American people, whether in the extreme North, East, West, or the islands in the seas. The pending measure must affect for good or ill the interest of all the people.

Whatever may be my views as to peculiar or local interests, I would not ask for provisions in this bill as applicable to Florida which I would not cheerfully grant to every other State. Knowing more of conditions in the South and loving her traditions, cherishing her memories, proud of her institutions, and glorying in her achievements, despite her political orphanage, I would not ask for her more than I would gladly grant to every other portion of the country, no matter for what party any State or number of States may cast its or their votes. My wish is that the friends of this measure may experience and may manifest the same catholic, patriotic spirit which on my conscience and honor I feel as to the whole country and all its industries and enterprises. If the spirit and soul of this bill is, as declared, the protective principle, then what would be the observance under another principle can not with justice be invoked against those who believe in the latter. If that other principle was being applied, then those who now speak for duties might be silent except on the basis of equalization.

Webster said, in April, 1824:

With me it is a fundamental axiom, it is interwoven with all my opinions, that the great interests of the country are united and inseparable; that agriculture, commerce, and manufactures will prosper together or languish together; and that all legislation is dangerous which proposes to benefit one of these without looking to consequences which may fall on the other.

He was then combating in Congress the contention of Henry Clay in favor of a protective tariff. Eighty-five years of experience have but emphasized the wisdom of this position then taken by that great statesman. We are one people, under one flag, enjoying one Government, and with a common destiny.

Physically we may be likened to the anatomy of the human body. Paralyze one member, and the man suffers. Injure one vertebra in the spinal column and you endanger the very life. Experts tell us that at the end of the spine is a sort of nerve center, so that if by accident or design or ignorance that is seriously injured the possessor becomes a nervous wreck.

Florida may be regarded as the terminus of the country's spinal column, and I warn you that harm to her will extend throughout all the ramifications of our vital system to its farthest reaches.

Is the bill in its present form fair and general in its application? Does it render to Caesar the things that are Caesar's, and dispose of the other things according to highest council?

To-day, within an area practically of 14 Southern States, 80 per cent of the world's supply of cotton is produced, worth every year \$750,000,000. Converted into cloth the 13,000,000 bales of cotton would yield 13,000,000,000 yards, worth nearly \$6,000,000,000. The remaining 20 per cent of the world's cotton is produced in South America, India, and the Far East, and it is of inferior quality. Importations are given as 99,462,105 pounds, valued at \$19,752,015; Egypt furnished 78,783,913 pounds; Mexico, 10,907,947 pounds; United Kingdom, 9,091,683 pounds; Peru, 4,088,069 pounds; and Haiti, 1,048,730 pounds. We exported last year \$482,000,000 worth of cotton. About one-third of our product is consumed by mills in this country. The grower is called on to pay an average of 49 per cent ad valorem on the goods made out of this very cotton. Is there any ground for denying him the same treatment accorded to others?

This very bill increases the duty on Egyptian tissue valued at 19½ cents a yard from 5.15 cents a yard to 6.75 cents a yard, an increase of 30 per cent. In paragraph 321 the words "mercerized or subjected to any similar process" are used, by which, whenever one or more threads are given any luster, or are "mercerized," the duty is to be increased from 11 per cent to 54 per cent. The manufacturers are already discounting the duty asked on Egyptian or long-staple cotton.

#### OTHER INDUSTRIES.

Take some other important industries: Where is the turpentine and rosin of the country produced? The output of the naval stores industry for 1908 was, in round figures, more than 36,500,000 gallons of turpentine, valued at more than \$14,000,000, and 4,000,000 barrels of rosin, valued at \$18,000,000. Eight Southern States furnished this, Florida leading with 17,030,300 gallons of turpentine and 1,932,114 barrels of rosin. There are 633 operating plants in that industry in Florida. Have they been considered in this bill? Only by being required to pay high-tariff prices for every article of supplies required by them in their work, from machinery and implements to hay. Last year there was imported some 40,000 barrels of rosin—mostly from France. France levies a prohibitive duty on American rosin. Mexico is now producing naval stores in considerable quantities and lays an import duty on our spirits of turpentine of 16 cents per gallon and rosin of \$3.07 in gold per 280 pounds.

Here, also, is the region of the yellow pine. May we hope the fact that the general term "lumber" will include other species found in other portions of the country and assist the manufacturers of lumber in this belt to receive consideration?

Where will you find the phosphate rock and pebble required in the manufacture of commercial fertilizers increasingly needed in this country? In these Southern States—Florida mining over 2,000,000 tons annually, worth over \$14,000,000. Is there any provision in this bill aiding that great industry? None; and yet everything practically the miner buys he is obliged to pay tariff prices for.

We have already seen that the long-staple cotton is produced in this country, mainly in the three States of Florida, Georgia, and South Carolina, Florida's yield being about one-third the total. I have already alluded to this important industry and the fact that the producer must compete with Egyptian cotton produced at a labor cost of about one-tenth our cost. The producer must pay tariff prices for his plows and implements and supplies; he must pay tariff prices for the very articles manufactured from his cotton, but it seems he must continue to toll



at starvation prices for his crops and an important industry is in danger of being turned over to his Egyptian competitor.

In this statement I employ the language which pleases the protectionists, but, I repeat, my contention is the duty is proper because of its revenue-producing feature.

But little over seventy-five years ago the English manufacturers of woollens, linens, and silks caused laws to be passed whereby the use of cotton goods was absolutely forbidden throughout England. Now she is lending her energies to the overthrow of the sea-island or long-staple cotton industry of this country in another way, by opening up for cultivation nearly a million acres of fertile lands in the valley of the Nile. Suppose a tariff on this product will cause a rise in the price of this cotton. Is that a different result than is accomplished for others whose product he must use? Suppose it would cause a rise, slight it could only be, in price of the product of the mills. Adopting, for the sake of the argument, the Republican idea, and applying it here, I might ask, Is that a reason for curtailing his means of living? This very bill makes him pay a tariff tax on the bagging which covers and the ties which bind his cotton into marketing form. He must pay the duty, but others who buy from him must not.

#### THE FARMER.

The majority argues that injury may result from neglect as well as by affirmative action; that it may be produced by omission as well as by commission. The last man to injure in this country should be the farmer. The last interest to harm should be agriculture. The last occupation to strike down should be that of the farmer. To foster, encourage, and make more profitable the country life and the country work should be the study and effort of every man.

When I approach the subjects which concern directly the farmers of the country, who by their toil produce the things without which the world would speedily perish, and when I think that in times of war these are the men who in all the past have fought the battles of their country, like the "Iron-sides" of Cromwell, and the "hunting-shirt" men under Jackson, I feel the reverence and the consecration indicated by that passage of Holy Writ:

Put off thy shoes from off thy feet, for the place whereon thou standest is holy ground.

Here is an industry which yields more than \$6,000,000 annually by production from the soil. In the language of the friends of this bill and employing your own argument again, Will you destroy it or permit England to destroy it? Will you cause it to languish and gradually wither away, or will you encourage it by giving it fair treatment in the raising of revenue?

I submit that a duty of 8 cents per pound ought to be levied on unmanufactured cotton.

Being under the necessity of raising over \$300,000,000 annually by this measure, if the present rate of expenditure is to continue, I do not see that we need employ much time discussing the academic questions involved in ascertaining the right or wrong, the wisdom or folly, the soundness or weakness of tariff for revenue or tariff for protection.

In no event, under present conditions, is it worth while to even refer to free trade or prohibitive tariff. We need the revenue that only a tariff which involves, incidentally, some protection can give. Not 10 per cent of the people favor free trade; no more, I believe, favor a prohibitive tariff. Our principal problem in this present situation is to equalize as nearly as possible the duties which must be laid on imports, as to commodities and industries, over the various portions of the country and avoid discriminations as to benefits and burdens and eliminate graft. Of course, our care should be to reduce expenditures when possible and reform administration if we may.

#### OVERPROTECTION IS GRAFT.

According to Mr. H. E. Miles, of the National Association of Manufacturers, a Republican, a protectionist, and a manufacturer:

Our tariff schedules and the methods in working them out constitute a national scandal. \* \* \* The tariff is a moral as well as an economic question. The public must not again permit the consumer's interests to be sacrificed as they were, for instance, in the present woolen and sugar schedules.

He takes high ground when he says:

The benefits of the tariff should accrue to all the people and not to a few politicians and manufacturers only.

And again he says:

With an honestly made tariff that does not unduly burden the consumer, that permits of healthful foreign competition, that is as high, and only as high, as is required to place domestic and foreign producers on a parity, that provides for reciprocal trade agreements in the interest of a larger foreign trade, American industries will prosper by honest and equitable methods.

This doctrine of a protectionist ought to satisfy the friends of this measure. But the criticism he makes of the present

law does not seem to be met by the changes proposed by this bill, and yet this same thinker and student of the subject says further:

The total unnecessary cost of the tariff to American consumers can not be estimated at less than \$500,000,000 per year. It has been estimated at more than double this figure.

In other words, the duties laid on many manufactures, over and above the principle of protection, is "graft," and that "graft" of a half billion dollars yearly is taken from the pockets of the consumers by the few ultraprotected interests.

If there be truth, and I believe there is, in these statements, our first duty is to eliminate this overprotection, which outrageously burdens the consumer and brings no revenue to the Government.

#### SULPHATE OF AMMONIA AND POTASH.

In this connection, I would call attention to the duty which the committee proposes to levy on sulphate of ammonia. The amount imported in 1908 was 34,224 tons, duty \$205,000. This duty is not necessary to protect the home manufacturer, this material being a by-product of the steel, coke, and gas concerns, which need no protection as against the farmer. Experts on the subject say this is the agricultural chemical richest in nitrogen and the duty under the present law amounts to 1½ cents per pound on the nitrogen it contains.

It appears "the South consumed in 1908 fully 1,500,000 tons of mixed and unmixed fertilizers, containing fully 60,000,000 pounds of nitrogen, worth at least \$12,000,000." This chemical should be placed on the free list and this vast sum saved to the farmers. Likewise potash should be stricken out of the list of articles upon which the countervailing clause applies of 20 per cent ad valorem, as proposed in the administrative feature of the Payne bill, because if that is put in operation it would cost the cotton growers of the South a half million dollars a year and the potato growers of Maine \$50,000 annually more for their potash, and the cotton, fruit, and vegetable growers of Florida over \$200,000 every year.

The statements I have to submit bear the impress of sincerity and sound reasoning on this matter. The governor of Florida has sent a special message to the legislature on the subject, which I also submit and beg to place in the RECORD. This tariff on potash would mean a tax of \$5 on every farm in Florida. The tariff on sulphate of ammonia, proposed, is quite as bad.

All fertilizer chemicals, as well as all mixed and unmixed fertilizers, should be admitted free of duty. I believe the man who creates, who produces, and does not merely consume, and especially the man who digs it from the soil, who depends on his strong arm and the seasons, the sun and air and land, should be considered in legislation affecting his interests; and hence my appeal is made for the producers of long-staple cotton and the pineapple growers of my State.

These priests of nature who live nearest the fountain of life in the divine economy deserve what they ask. Suppose the 5 cents per pound on cotton would increase its price for the grower that much. The price of the short staple is fixed in Liverpool. The price of the long staple, we may grant, would increase the cost to the spinner, and that in turn, perhaps, increase the price of the satens, mercerized silk, lace curtains, automobile tires, and expensive thread made therefrom. These goods are used by people who can afford the increase, if it come, but applying again the doctrine which the majority asserts I would say the people engaged in this industry, the production of this cotton, can not afford to have it turned over to England or Egypt; neither can the other people of this country well afford that result.

#### PINEAPPLES.

I pass now to another subject, that of pineapples.

Florida is opening up a new territory on the east coast, along the wonderful railroad across the keys and water to Key West, built by Mr. Flagler, sufficient to supply domestic demand for pineapples. Will you turn that industry over to Cuba I would ask in the terms of your principles?

It appears from expert testimony that 7 cents per cubic foot equals 16 cents per crate (10 by 12 by 33=2.29 cubic feet). Then we must allow for a reduction of 20 per cent under the Cuban reciprocity act of December 17, 1903. This leaves the present rate, which the pending bill proposes to continue, of 12.8 cents per crate. Cuba has the advantage of American growers as follows: Transportation, 16 cents; labor, 9 cents; fertilizer, 22 cents=47 cents per cubic foot of package.

Florida produced 690,000 crates last year.

Importations from Cuba were 840,000 crates last year.

Cuba can produce pineapples for 20 cents per crate.

It costs Florida 70 to 90 cents per crate.

Cuba can deliver pineapples in New York for \$1.11 per crate and pay the present duty.

Florida pineapples will cost delivered in New York \$1.80 per crate.

A crate of pineapples weighs about 80 pounds, about the same as a crate of oranges. The duty on oranges is 1 cent per pound. A barrel of pineapples weighs 160 pounds.

Cuban pineapples are on sale in March, April, and May. At 1 cent per pound duty Cuba can deliver pineapples in New York for \$1.74 per crate.

Florida can not deliver them at less than \$1.80 per crate.

The duty on pineapples, as provided in this bill, is about one-sixth the duty it lays on oranges. California produces no pineapples of consequence.

These facts ought to be sufficient argument in themselves to secure fair treatment of an important American industry.

I would say a word on behalf of Porto Rico also. She asks for a duty which will enable her to compete with Cuba, which would raise revenue at the same time. I ask to lay before the Senate a statement furnished by growers in Porto Rico, which applies likewise to Florida. It will be borne in mind that the pineapple is a luxury, and that a duty of 1 cent per pound would yield a revenue of \$640,000 annually.

I submit, considering the advantage given Cuba by the 20 per cent reduction, a duty of one-half of 1 cent per pound at least should be imposed on pineapples whether in bulk, barrels, or crates. I would emphasize that this fruit can not be held, like a manufactured article, at a standard price to be sold tomorrow or next week if desired price can not be obtained to-day. The consumer names the price in this case and the grower can name nothing—neither the cost of labor, fertilizer, crates, nor freight.

#### FURTHER OF EQUALIZATION.

Speaking of equalization further, a few illustrations may be given:

On rough lumber the present duty is equivalent to an ad valorem of 11.75 per cent. It is now proposed to make it 5.88 per cent.

On cotton goods the average is now 57.94 per cent, and the pending bill proposes to greatly increase that. On "wool and manufactures thereof" the duty will reach as high as 149 per cent.

The duty under the present law and the proposed Senate amendment on pineapples, a luxury, in crates or barrels, is 19.37 per cent, and, as to Cuba, under treaty, 14.88 per cent.

In the metal schedule the duty runs as high as 99.65 per cent, and in no case, practically, under 10 per cent.

Naval stores, free; cotton, free; and phosphate, free.

Another important industry in Florida is sponging. The crop of sponges in Florida was worth in 1906 approximately one and a half million dollars. The importation of sponges from the Bahamas and Mediterranean is given for last year at \$220,707.31, which paid a duty of 20 per cent ad valorem; and from Cuba, \$115,649.58, which paid a duty of 16 per cent.

On borax mined in Nevada and California the duty now is 150.76 per cent; by Senate amendment, reduced to 60.30 per cent.

#### IMPORTANCE OF MEASURE.

Mr. President, only by keeping in mind all the interests of all the people of all the country can we be just in this legislation; only by being just can we have it approach the hope of the country; only by having it honest and national in its scope and American in its spirit can we expect it to fulfill its purposes.

We can not overestimate the importance of this measure. It strikes the hour of dissolution or it breathes the oxygen of new life for many plans, industries, and enterprises. It falls like the sword of Samuel upon the head of Agag, or it brings forth a Pallas by its blow. Marius, one of the thirty Roman tyrants, was slain in battle by a soldier who formerly worked in his shop, and as he struck he exclaimed, "Behold the sword thyself hath forged."

If disaster follows to any material interests or oppression results, you can know your work here accomplished the ruin or brought on the distress.

Great responsibilities rest upon those who would forge this instrument in accordance with their own wishes. I appeal for your clearest vision, your broadest patriotism, your calmest judgment, your soundest wisdom, to so consider and frame it as to help powerfully "to make the future of the Republic absolutely secure, its influence boundless, its duration endless, its beneficence measureless."

#### FOREIGN TARIFFS.

Mr. President, to use the taxing power to benefit private interests by giving more protection than is needed against foreign competition even the friends of this measure must admit would be a violation of a public trust and a gross abuse of any economic principle.

If duties can be lowered "without ruinous invasion of the home market by the foreigners," it ought to be done. In many

instances, no doubt, it can be done; and it follows that tariff reduction is the just policy.

It is important to keep in mind that many of our industries are capable of greater production than the home market demands. These industries therefore want foreign markets. To get these, lower foreign tariff must be secured. You may rest assured the foreigner will not reduce his tariffs on such products or articles unless you place your tariff duties similarly reduced on those or other commodities. We may not expect to obtain the reduction of foreign tariffs in order to give an outlet to our surplus production unless we are willing to reduce our own. It is not fair to trade off the industries of Democratic States only for lower foreign tariffs.

Our minimum tariff should be made as low as possible in order that we may be in a position to make concessions when it comes to international agreements by which, nowadays, tariffs are largely arranged. I favor provisions promoting reciprocity, assuming that every portion of the country will receive equal and just treatment.

#### REDUCE EXPENDITURES.

It was refreshing to hear the distinguished Senator from Rhode Island, when he laid this bill before the Senate, proclaim himself a reformer, the friend of the consumers of the country, the Horatius at the bridge over which the expenditures must go, insisting upon less burdens and greater economy.

One could but admire his candor when he declared, in effect, the Republican House, the Republican Senate, and the Republican Executive had been guilty of "unprecedented extravagance" in the years just closing. It would have been well had the Senator raised his powerful voice before the money was gone, and saved the country the necessity of facing the present deficiency of over \$100,000,000.

Retrenchment is wise, but the appeal comes late. It comes, too, from those who brought on the conditions which have been for two years disturbing the country. It is a splendid tribute to the Democracy to have the Senator thus espouse a cause and advocate a doctrine which during the years past and continuously, without interruption, to this hour, the Democratic party has blazoned on every banner and urged in every contest. Is that position taken now because of the threatened income tax? Is it now the vision comes when it is preferred to tax the people of the country who eat and wear and work, indirectly by the tariff, rather than tax directly those whose income exceeds \$5,000?

Does the conscience awaken to reproach for reckless extravagance only when it appears that such extravagance has come home to plague those who have heretofore prospered under the tariff laws?

"Reduce expenditures" is fine. But the Senator has not indicated where or how. Will he begin with imperialism? Economize we can, but the powers that be give us no example of that practice, and we find no encouragement in a general statement pointing toward a possible lessening of extravagance by those who have led us into that vicious habit. With boards and bureaus, commissions and departments, overlapping and duplicating, I should say we could diminish outlays. But will it be done by those who created these conditions?

#### THE REMEDY.

A scathing and just rebuke to the Republican party has gone forth from its highest source, and it means logically that the real hope for reform, promising relief from the evils upon which we have fallen, and to that end may these words be winged, lies in a Democratic administration!

#### APPENDIX.

[Copy of telegram.]

WHITE SPRINGS, FLA., March 23.

HON. DUNCAN U. FLETCHER,

United States Senate:

Oppose reducing the tariff one-half on lumber and fight for the \$2 duty to the last ditch. The latter is the salvation of the lumber industry in the South.

R. J. & B. F. CAMP LUMBER CO.

[Copy of telegram.]

WATERTOWN, FLA., March 24, 1909.

HON. DUNCAN U. FLETCHER,

United States Senate:

We think proposed reduction of lumber tariff exceedingly disastrous to southern lumbermen.

EAST COAST LUMBER COMPANY.

[Copy of telegram.]

JACKSONVILLE, FLA., March 24-25 1909.

Senator DUNCAN U. FLETCHER,

Washington, D. C.:

We are counting on you to oppose reducing tariff on lumber and to fight for the \$2 duty. The future of the lumber and turpentine industry depends on this.

CUMMER LBR. COMPANY.



[Copy of telegram.]

TIFTON, GA., March 25, 1909.

Hon. D. U. FLETCHER,  
Washington, D. C.:

The Georgia-Florida Sawmill Association, in session, representing more than 1,000 manufacturers of yellow-pine lumber in Georgia and Florida, employing upward of 50,000 men, protest earnestly any reduction of the present tariff on lumber, and the effect will be disastrous to employer and employed. The agitation has been more hurtful than we can estimate.

H. H. TIFT, President.  
E. C. HARRELL, Secretary.

JACKSONVILLE, FLA., March 22, 1909.

I was in Canada three years ago, as you remember, and, being a lumberman, I gave considerable attention to the classes of lumber being manufactured, and without exception I found nothing there that would compare with our high grades. I did not go to the Ottawa district, which is, I understand, the great lumber center of eastern Canada, but what I saw was of a very inferior quality. It would be a very hard blow to the industry in this country and, as I have seen in the statement of Professor Pinchot, it would not conserve our own forests, but would simply compel us to reduce our prices and enter into a scramble for business if the tariff is reduced even 50 per cent. It will mean a still greater reduction in the prices of lumber than that represented by the reduction in the tariff pending the adjustment of trade conditions.

It is only within the past few years that our low-grade lumber has brought us a profit above the cost of manufacture, due to the fact that the depletion of the high-grade timber in the Northwest and the consequent utilization of low grades brought into the market a large lot of low-grade lumber. It is generally understood that the forests in the Northwest even for low grades have been so far depleted now that it does not cut any important figure in low grades as it formerly did. We are to-day actually selling lumber that five or six years ago, even, we could find absolutely no market for; and if we are prevented in any way from disposing of this class of lumber, it would simply mean a loss of that per cent of our logs which will have to be cut and hauled to our mill for which we will get nothing, thus sacrificing these low grades and being able to sell only the high grades at a profit.

I have intended to write you along this line for some time. I know that you feel very deeply the conditions and that you will lend your best influence toward securing a just consideration of the tariff measure.

GEO. L. DREW.

[Copy of telegram.]

CENTURY, FLA.

Hon. D. U. FLETCHER,  
United States Senate, Washington, D. C.:

The repeal of duty on lumber would be disastrous to the industry throughout the country, and we urge you to vote and do all in your power to have the present duty retained. Reduction or repeal would benefit only Canadian timber owners.

THE ALGER SULLIVAN LBR. CO.,  
H. L. GLOYER, Manager.JOE KING, JR., COMPANY,  
EXPORTERS YELLOW PINE LUMBER,  
Jacksonville, Fla., March 11, 1909.Hon. D. U. FLETCHER,  
Washington, D. C.

DEAR SIR: At a meeting held on the 10th instant, by practically all of the lumber interests in Jacksonville, the following resolution was adopted:

"Resolved, That the Secretary be instructed to communicate with our Representatives at Washington, requesting them to oppose the proposed bill, which provides putting lumber from foreign countries on the free list, and to oppose any reduction whatever of duty on such lumber."

Subscribed to by the following concerns:  
Cummer Lumber Company, Alfred R. Sax Lumber Company, Charles S. Hirsch & Co., Star Lumber Company, Cooney-Eckstein & Co., McNair & Son, Granger & Lewis, G. S. Baxter & Co., Georgia Pine Company, Gress Manufacturing Company, E. G. Phinney & Co., George Henry & Co., D. L. Gillespie & Co., Banes-Cashen Lumber Company, R. W. McLeod, Atlantic Coast Forwarding Company, G. D. Gay, Weston Zaring Company, Eppinger & Russel Company, F. R. Clark & Co., Stephens Lumber Company, Joe King, Jr., Company, C. H. Leggett, chairman; Joe King, Jr., secretary.

It is needless to comment upon the importance of the defeat of the bill referred to. You gentlemen are entirely familiar with the lumber industry in our State and the country in general, especially the South, and you realize what a great calamity the passage of such a measure would inflict upon the lumber interests, especially in our State.

With much respect,

Very truly, yours,

JOE KING, JR., Secretary.

## THE TARIFF ON LUMBER.

Whereas the press dispatches from Washington forecasting the probable action of the Ways and Means Committee on the various tariff schedules recite the fact that lumber is being named as one of the commodities to go on the free list or to sustain a heavy reduction; and

Whereas such action would mean serious and widespread demoralization to all business interests, in that further depression in lumber prices would permanently cripple many of the sawmill and other wood-working industries, and at the same time affect disastrously the wage-earning power of a vast army of day laborers; and

Whereas the lumber industry of the United States to-day ranks first in the consumption of farm products, third in the volume of tonnage furnished the railroad and transportation lines, and second in the employment of labor, agriculture alone employing a larger number of hands, labor constituting a larger element in the cost of production of lumber (averaging above 70 per cent) than of any other manufactured article; and

Whereas a bushel of corn or wheat, a ton of hay, a bale of cotton, or the unit of measure in any other farm product will purchase more lumber to-day than at any previous time; and

Whereas the present specific duty of \$2 per thousand feet amounts to an ad valorem rate of about 11 per cent, and practically reduces the tariff on lumber to the basis of a tariff for revenue, as illustrated by the fact that the present law represents an average of about 40 per cent on all dutiable commodities; and

Whereas the repeal of the tariff on lumber, lath, and shingles would prove disastrous to the industry throughout the whole country, for the reason that lumber is produced in Canada largely by oriental labor, and would be produced in Mexico by peon labor, at a cost far below that in this country, and is cut from stumpage varying in price from one-quarter to one-half less than American timber, and subject to a vastly lower taxation; and

Whereas lumber, lath, and shingles from Canada can be delivered in the Atlantic, Pacific, and Lake state ports on a much lower freight rate in foreign and American bottoms than from the South and West, or from any other lumber-producing districts to the same ports, whence much of the American lumber is distributed or where it is consumed, and would therefore deprive American manufacturers of many of their principal markets, which in turn would seriously affect the banking, shipping, and other interests allied with lumber; and

Whereas the recent election has emphatically demonstrated that an overwhelming majority of the people are in favor of the protection of American industries; and

Whereas the class of lumber which our foreign competitors would seek to dump on the markets of the United States would prevent conservation of our forests by displacing the low-grade material now utilized, leaving it in the woods to rot and burn, and because the sawmills must be operated to at least their minimum economic capacity, lumbermen would be compelled to cut over a larger area in order to secure the quantity of logs necessary to run their mills and to secure the quantity of salable commodities necessary to meet the demands of the country, and therefore will find it necessary to cut more trees, and thus to denude a greater acreage: Therefore be it

Resolved, That the Alabama-West Florida Lumber Manufacturers' Association, in convention assembled, representing an annual output of nearly 1,000,000,000 feet of lumber, does most earnestly protest against any reduction in the present tariff on lumber: And be it further

Resolved, That the president and secretary of this association be, and they are hereby, instructed to transmit a copy of these resolutions to the Ways and Means Committee, and to furnish copies of same to the Senators and Representatives from the States of Alabama and Florida, requesting their cooperation and support in preventing any reduction of the import duty on lumber in its various forms and by-products, upon the ground that such reduction would inevitably result in great injury to the lumber industry of these and other Southern States, the greatest single industry in this section, and one which has grown to such magnitude that any injury suffered by it must no less surely work harm to the banking, transportation, manufacturing, commercial, and industrial interests generally with which it has become so closely interwoven: And be it further

Resolved, That we favor most heartily the conservation of the forest resources of this country, and are ready to cooperate with the Government in its efforts to promote this great work, but that it is our earnest conviction that the removal or material reduction of the tariff on lumber will so hamper and delay the execution of plans already under way as to give rise to grave doubt of their ultimate success. This conviction rests upon the fact that to successfully operate a sawmill plant it must be run steadily at its average capacity, which could only be accomplished through the cutting of more trees, should the price of lumber decline to a point which would render impossible the manufacture of the common trees and parts of trees, which represent 25 to 40 per cent of the forests. This decline in price would follow the opening of our ports to lumber.

The undersigned approve and subscribe to the foregoing:

Alabama and Florida Lumber Co., Noma, Fla.; Smith-McGowan Lumber Co., Magazine, Ala.; B. O. Watkins Lumber Co., Birmingham, Ala.; Hand Lumber Co., Dolive, Ala.; Henderson Lumber Co., Sanford, Ala.; Hunnicutt-Neal Lumber Co., Vick, Ala.; Lathrop Lumber Co., Birmingham, Ala.; Morris Lumber Co., Slocumb, Ala.; Oden-Elliott Lumber Co., Birmingham, Ala.; Scotch Lumber Co., Fulton, Ala.; Vredenburg Saw Mill Co., Pine Hill, Ala.; Miller-Brent Lumber Co., Poley, Ala.; Harris & Scandrett, Coffee Springs, Ala.; Allison Lumber Co., Bellamy, Ala.; Cedar Creek Mill Co., Brewton, Ala.; E. W. Gates Lumber Co., Yellow Pine, Ala.; Henderson-Boyd Lumber Co., Richburg, Ala.; Horse-Shoe Lumber Co., River Falls, Ala.; Kaul Lumber Co., Birmingham, Ala.; Marbury Lumber Co., Marbury, Ala.; T. H. Read & Co., Wilford, Ala.; Sumter Lumber Co., Sumter, Ala.; Twin Tree Lumber Co., Maplesville, Ala.; Montgomery Lumber Co., Montgomery, Ala.; Whitewater Lumber Co., Autaugaville, Ala.; Geneva Lumber Co., Eleanor, Fla.; Tatom Lumber Co., Geneva, Ala.; Empire Lumber Co., Andalusia, Ala.; Frost-Sibley Lumber Co., Lamson, Ala.; Smith Lumber Co., W. T. Chapman, Ala.; Neal & Beatty, Montgomery, Ala.; Coffee Springs Lumber Co., Coffee Springs, Ala.; Manchester Lumber Co., Manchester, Ala.; Chas. Thrower, Ozark, Ala.; J. J. McCaskill Co., Freeport, Fla.; Sandy Creek Mill Co., DeFuniak Springs, Fla.; Lovelace Lumber Co., Brewton, Ala.; Jackson Lumber Co., Lockhart, Ala.; Crimm Bros., Gordo, Ala.; W. W. Autrey, Lamson, Ala.; W. B. Mitchell Lumber Co., Newton, Ala.; J. H. Moore, Billingsley, Ala.; H. H. Simpson & Sons, Stansel, Ala.; The N. M. Rhodes Mercantile and Mill Co., Sheil, Ala.; Pattillo Brothers, Billingsley, Ala.; J. W. Pickering, Plantersville, Ala.; M. J. Clift, Childersburg, Ala.; A. N. Belcher, Centerville, Ala.; McMillan Mill Co., Pine Barren, Fla.; The J. W. Black Lumber Co., Mobile, Ala.; Benjamin F. Stevens, Malvern, Ala.; Beach, Rogers & Co., DeFuniak Springs, Fla.; Ohio-Pennsylvania Lumber Co., Axis, Ala.; Jas. Howard & Co., Nymph, Ala.; Hurricane Lumber Co., Hurricane, Ala.; M. G. Watkins, Highland Home, Ala.; G. B. Howard, Goshen, Ala.; Britton Lumber Co., Lakewood, Fla.; Florida Saw Mill Co., Paxton, Fla.; Stearns & Culver Lumber Co., Bagdad, Fla.; Curtis-Attalla Lumber Co., Curtiston, Ala.; Mutual Lumber Co., Montgomery, Ala.; Escambia Land and Mfg. Co., Pensacola, Fla.; Cruise-Splawn Lumber Co., Vida, Ala.; Bay Point Mill Co., Pinewood, Fla.; Graves-Tatom Co., Freeport, Fla.; The King Lumber Co., Prentice, Ala.; W. J. Tinney, Sterrett, Ala.; Flat Creek Mill Co., Finchburg, Ala.; J. R. Martin,

Jemison, Ala.; Carter Lumber Co., Billingsley, Ala.; Harper & Moore, Reform, Ala.; Springfield Lumber Co., Coker, Ala.; J. H. Wright, Piedmont, Ala.; W. D. Crocker, Gordo, Ala.; Carr & Daniel, Gordo, Ala.; Brannan & Whitley, Wilmer, Ala.; C. Butler, Duncanville, Ala.; W. D. Barron, Eoline, Ala.; Union Lumber Co., Carrollton, Ala.; John C. Osborne, Prattville, Ala.; The Gulf Yellow Pine Lumber Co., Geneva, Ala.; Perdido Lumber Co., Pensacola, Fla.; C. W. Autrey, Pine Hill, Ala.; C. W. Zimmerman Mfg. Co., Jackson, Ala.; J. E. McCart, Elba, Ala.; Windham & Farris, Elba, Ala.

HOTEL SEVILLE, NEW YORK, April 12, 1909.

DEAR SIR: I inclose you a letter from Mr. H. S. Hubbard, formerly of Iowa, but now a prominent grower of pineapples in Porto Rico, a petition from the Horticultural Society of Porto Rico, and a detailed list of the growers of pineapples who have entered this business during its development of the past three or four years.

I wish also to call your attention to the following facts:

1. The cost of cultivating an acre of pineapples is greater than that of cultivating an acre of oranges; the yield in crates of 2½ cubic feet each is less than that of oranges of 2 cubic feet each, and the value of a crate of either one is approximately equal. Should not both be equally protected?

2. All the pineapples consumed in the United States, if their planters are assured by a reasonable protection against ruinous foreign competition at certain seasons of the year, can be raised within a few years in Florida, Hawaii, and Porto Rico (both the latter as integral a part of the United States as were California, Arizona, and New Mexico in the middle of the last century).

During May, June, and July, especially, the markets are often flooded with foreign fruits from Cuba and elsewhere, thus producing prices far below the cost of production. The consumer does not benefit by this heavy loss of the grower, but pays more or less the same from week to week the year round. Only the jobber and retailer benefit by the planters' losses during these months.

3. When the tariff act of 1897 was enacted few pineapples were grown in the United States, while now very large acreages are planted in Hawaii, Florida, and Porto Rico, and with the present extension of the Florida East Coast Railroad thousands of acres heretofore cut off by lack of transportation became available for this fruit, and Porto Rico alone could supply the entire United States if the Americans there engaged in this business are protected sufficiently to prevent heavy loss during the months of ruinously low prices, far below cost of production.

Porto Rico in 1900 shipped 2,000 crates of pineapples.

Porto Rico in 1907 shipped 7,200 crates of pineapples.

Porto Rico in 1908 shipped 74,091 crates of pineapples.

Porto Rico in 1909 will ship 400,000 to 500,000 crates of pineapples.

As will be seen by the inclosed list, practically all of this is in the hands of Americans. All the money thus paid for Porto Rican pineapples is spent, not for Spanish, but for American foods, clothes, shoes, and implements.

As coastwise laws apply to Porto Rico all must be carried in American, not foreign vessels, as may be done from Cuba.

4. The citizens of the United States generally, equally with those living in Porto Rico, would be glad to Americanize the island, as was done in the case of California, New Mexico, and the Southwest. This can not be done by a few holders of big sugar or coffee estates, but through the influence of the small American landowners and their numerous families and retainers. The only opening for the small American landowners is the fruit industry, and mainly pineapple growing. Examination of the inclosed list of those who have so invested during the three or four years of the life of this industry will indicate the power this movement will soon exert on the internal government of the island if it is fostered by a fair protection at this stage. A prohibitive tariff is not desired by the Porto Rican growers, but one that will protect them against the ruinously low prices, often ruling, especially during the months of May, June, and July, while permitting importations from abroad whenever the market covers cost of production and a reasonable profit to the growers in the States. One cent a pound would not stop foreign shipments during ten months of the year. One-half cent would certainly be a low rate, and while it would not always guarantee a profit to growers would at least stop foreign shipments when prices are ruinously low.

5. The Baltimore canners have demanded free trade in natural pineapples, but nothing is said by them requesting free trade in the canned product. One-half cent a pound on natural fruit would be less protection to the numerous small growers than the few large canners are now enjoying on their product. In their statement those gentlemen speak only of Cuba and Florida as the only source of supply for the eastern markets. They can this year at fair prices obtain from Porto Rico some 400,000 crates, and double this quantity in succeeding years.

6. At present the duty on natural pineapples is 15 per cent ad valorem; the average on food staples, 40 per cent ad valorem; citrus fruits, 65 per cent ad valorem; canned fruits, 48 per cent ad valorem.

One cent per pound on pineapples would not be excessive as compared with other foods, and one-half cent per pound on pineapples in bulk or packages would be far below the average on similar food supplies.

The Payne bill, as it is sent to the Senate, makes a package rate of 8 cents per cubic foot—a bulk rate of \$8 per thousand. The average for Cuban pines is 36 fruits per crate, or, if figured by cubic feet, of 2½ feet a crate, 20 cents duty per crate. If figured by bulk, \$8 per thousand, 28.8 cents duty per crate.

We therefore ask a per pound rate rather than a bulk or per thousand rate, as now in the Payne bill, for the reasons of its equitable and easy application to all shipments, both crate and bulk, and because of the fact that the number of pineapples in a crate will in no manner vary it.

Respectfully submitted.

T. P. LIPPITT,

Acting for the Horticultural Society of Porto Rico.

JACKSONVILLE BOARD OF TRADE,  
Jacksonville, Fla., April 12, 1909.

Hon. D. U. FLETCHER,  
Senate Annex, Washington, D. C.

DEAR SIR: I beg to acknowledge receipt of your letter of the 6th instant, and take pleasure in inclosing you herewith copy of resolutions adopted by the board of trade at its meeting held on July 8

last regarding import tax on naval stores from Mexico. I understand that the Savannah Board of Trade recently adopted resolutions regarding an import tax on naval stores from Spain and France. I have written to this organization for copy of these resolutions, and as soon as I receive them will forward them to you.

Yours, truly,

H. H. RICHARDSON, Secretary.

I inclose you prospectus, thinking you may want this to refresh your memory in connection with some of these points.

H. H. R.

The following resolutions were adopted by the Jacksonville Board of Trade at its meeting held on July 8, 1908:

Whereas spirits of turpentine exported from the United States into Mexico is subjected by the laws of Mexico to an import duty of 16 cents per gallon, and rosin is subjected to a duty of \$3.17 gold per 280 pounds, while under the existing laws of the United States spirits of turpentine and rosin imported from Mexico to the United States are admitted free of all duties; and

Whereas the pine forests of Mexico are now producing spirits of turpentine and rosin in considerable quantities, which are being shipped into the United States and there sold in competition with the naval stores produced in Florida and other Southern States; and

Whereas the inequality of taxation is an unjust burden upon one of the principal products of this State, which should be removed by legislation or administrative action on the part of the Federal Government: Now therefore be it

Resolved by the Board of Trade of the City of Jacksonville, That the special committee on naval stores be directed to call the attention of our Senators and Representatives in Congress to this subject, and to request their prompt and active assistance in securing, if possible, the removal of such discriminative duties or else the imposition of a similar tax upon the importation of spirits of turpentine and rosin from Mexico, and such action on the part of Congress and the administrative departments of the Federal Government as will best protect the interest of the naval-stores industry of the United States.

Resolved, That the special committee on naval stores be instructed to investigate the relative freight rates on naval stores produced in Florida to ports in Florida and to ports outside of Florida, and if it is found that rates to ports in Florida are relatively higher than to ports outside of Florida, then said committee be further instructed to investigate the effect of such discrimination and the remedies therefor, and thereupon, without delay, to take such steps as may be deemed necessary to prevent such discrimination and secure fair and equal rates to Florida ports.

The above was also adopted by a unanimous vote of the members present.

STATE OF FLORIDA, EXECUTIVE OFFICE,  
Tallahassee, April 12, 1909.

Gentlemen of the legislature:

Your attention is invited to the following:

There is a clause in the Payne tariff bill to the effect that "the maximum and minimum principle be adopted by which retaliatory rates averaging about 20 per cent may be levied upon the products of countries which do not grant to the commerce of the United States the most-favored-nation treatment."

Germany is the country from which comes the supply of potash salts, so necessary for successful agriculture in the cotton States. Germany does not at present grant to the United States minimum rates on all products. Consequently, if the above becomes a law and Germany persists in not granting to the United States the "most-favored-nation" treatment, a retaliatory duty of 20 per cent ad valorem will be levied on all potash salts imported.

There are some 600,000 tons of potash salts now annually imported from Germany into the United States. This is principally used for fertilizers. Their salts are now quoted in New York at from \$8.50 for "kainit," to \$43.60 for "sulphate," an average of \$25 per ton or \$15,000,000. Twenty per cent of this amount (\$3,000,000) would be added to the annual cost of fertilizers, most of which is consumed in the cotton States. The average potash content of Florida fertilizers is 140 pounds per ton, representing 7 units.

The cost of one of these units is \$1.10, or \$7.70 per ton. An increase of 20 per cent in its cost would add an average of \$1.54 per ton to the fertilizers used in this State. As Florida uses 130,000 tons annually, this would increase the cost of fertilizers used in this State \$200,200. Georgia uses 800,000 tons. Other cotton States use large quantities of commercial fertilizers, one of the principal and most costly ingredients of which is potash.

The passage of a joint or concurrent resolution is recommended, advising the Senators and Representatives from this State in Congress of this threatened additional imposition upon the farmers and fruit growers of Florida and of the cotton-producing States, and requesting them to take such action as they may deem best to prevent such imposition.

Very respectfully,

ALBERT W. GILCHRIST, Governor.

STATE OF FLORIDA, EXECUTIVE CHAMBER,  
Tallahassee, April 13, 1909.

Hon. DUNCAN U. FLETCHER,  
United States Senate, Washington, D. C.

MY DEAR SIR: I am directed by the governor to hand you herewith copy of a special message which he has sent to the Florida legislature now in session.

Very truly, yours,

G. T. WHITFIELD,  
Private Secretary.

Brief on the tariff in its relation to economic agriculture, with special reference to sulphate of ammonia and potash salts.

FREE NITROGEN.

It has been a wise policy of the United States, in common with other countries, to admit "guanos, manures, and all substances used only for manure" free of duty. (See Dingley bill, sec. 2, par. 569.)

Canada is the only country to levy a duty on mixed fertilizers, but she admits fertilizer chemicals duty free, including sulphate of ammonia and German potash salts.

Sulphate of ammonia, however, which, since the passage of the Dingley tariff, has come into extensive use here by farmers and by fertilizer manufacturers, and which is the agricultural chemical richest in



nitrogen, carries a duty of \$6 per ton under the Dingley tariff. (Schedule A, par. 5, Dingley bill.) This is 1½ cents per pound on the nitrogen it contains.

In the Payne bill sulphate of ammonia is put on the free list where it belongs and where it should remain. (Sec. 2, par. 480, Payne bill.) The United States produced 4,000,000,000 bushels of cereals in 1908. Each bushel contained approximately 1 pound of nitrogen. This nitrogen was worth at least \$800,000,000, and no material part was returned to the soil.

In the shape of cereals and meat products the United States exported in 1908 fully \$75,000,000 worth of nitrogen.

Georgia consumed approximately 800,000 tons of fertilizer in 1908, requiring 32,000,000 pounds of nitrogen, worth \$6,400,000 at going market prices.

South of the Mason and Dixon line there were consumed in 1908, chiefly on cotton, fully 1,500,000 tons of mixed and unmixed fertilizers, containing fully 60,000,000 pounds of nitrogen, worth at least \$12,000,000.

Maine consumed fully 50,000 tons of fertilizer to produce her potato crop last year, requiring fully 2,000,000 pounds of nitrogen, worth \$800,000. Add to this the nitrogen which is required to produce the other great staple crops like hay, tobacco, and vegetables, and the nitrogen requirements become incomprehensible. The Department of Agriculture will without doubt confirm the above figures.

#### OPPOSITION.

The duty on sulphate of ammonia is \$6 per ton. The amount imported in 1908 was 34,224 tons, duty \$205,000. This duty is not necessary to protect the home manufacturer, for the material is produced as a by-product by the steel, coke, and gas interests, which need no protection, especially as against the farmer. The home producer, even without the duty, is protected to the extent of the freight and the double bagging which is required and the custom-house charges, amounting, all told, to between \$3 and \$4 per ton.

#### FREE POTASH.

German potash salts are now admitted free under the present Dingley tariff (sec. 2, par. 644, Dingley bill), likewise in the new Payne bill (sec. 2, par. 652, Payne bill), but it is proposed to apply a countervailing duty of 20 per cent ad valorem to potash under certain conditions. (Sec. 4 and sec. 3, Payne bill.)

This is wrong, because—

First. We are absolutely dependent on Germany, as she is our only source of agricultural potash.

Second. If this clause is applied to potash as a club to keep Germany from unduly taxing our meat and grain products, she can afford to ignore it, for we can not go elsewhere for our potash. It is a boomerang, therefore, which will react upon our own country.

Third. If the countervailing duty is made to apply to potash, in order to protect the western cattle raiser and packer against Germany, it is protecting them at the expense of all general farmers East and West, and particularly the tobacco, cotton, and potato growers.

Fourth. If the countervailing duty should be put into operation, it would cost the cotton growers of the South fully \$500,000 a year more for the potash which they use on cotton, and the potato growers of Maine fully \$50,000 more annually.

Potash, therefore, should be stricken out of the list of items upon which the countervailing clause applies.

#### FINALLY.

The fertilizer business has been built up on a free-trade basis. It asks for no protection, and it should have none. But it is inconsistent, if not unfair, to admit mixed fertilizer free and tax chemicals when brought in separately.

Fertilizer chemicals, whether mixed or unmixed, are the farmers' raw materials, and in the interest of economic agriculture they should be admitted free of duty. There should be no hampering clauses to prevent the free international exchange of fertility.

This country annually is sending more than a million tons of mineral phosphates to Europe, besides millions of dollars' worth of agricultural products. It is a wise policy to take some part of it back in the shape of fertility, as nitrogen and potash.

If agriculture is the foundation of our prosperity, then fertility is its corner stone. We should therefore encourage the gathering and importation of plant food from all sources, both foreign and domestic.

Respectfully submitted.

WILLIAM H. BOWKER,

*Representing American Agricultural Chemical Company.*

Mr. McCUMBER. Mr. President, my colleague [Mr. JOHNSON] has indicated a desire to speak for a few minutes upon an important feature of this subject, and as my address may take a little longer than I really anticipate, if my colleague desires, he can go on now, I yielding to him for that purpose.

The VICE-PRESIDENT. The Senator from North Dakota yields to his colleague.

Mr. JOHNSON of North Dakota. Mr. President, I had a conversation with my colleague, but I hardly expected this courtesy of him. I expected to speak only after my colleague. But I thank him for this opportunity. I do not wish to discuss the underlying principles. I only want to touch upon one small point, to pick up the small crumbs that fall from the table, and only one crumb.

One thing that makes it a little irksome to us in the "Cherokee strip" is that Senators refer to Senators sitting upon the other side as if they were not of their household of political faith. We are a pretty respectable aggregation, and they need us and can have us and they can count on us. As long as such men as the junior Senator from New York [Mr. Root] occupies a front seat in this section, we shall not go very far astray. Neither shall we very much lose our way in the dark with such a tried and true Republican as the junior Senator from Kentucky [Mr. BRADLEY]. But enough of that.

It is a little difficult to speak from this corner. I like the "Cherokee strip;" I was raised in it. My first experience in

Congress was at the time when the Democrats had all but 88 seats out of 346.

The Democrats not only filled their own side, but more than half of our side, and we all sat among Democrats. Afterwards, when we got control of the House, it was my fortune to draw seats usually on the Democratic side of the Chamber; and I feel at home among these brethren. I have lived among them, boarded with them, and it has been my fortune to meet them in this southern city. I knew nothing of them until I came here. I have learned to know them. I have learned to like them.

Yesterday, I think it was, or the day before, one of the Senators of our household of faith spoke of admonishing a colleague. I would not like to use such a term as admonishing a fellow-Senator, even on this side. But the reason why I wish to speak to-day is on account of a word that was used by the Senator from Maryland [Mr. RAYNER] yesterday, which grated rather harshly on my ear as a Republican. I will read this from his speech, and while I do not accuse him of lack of originality, I will say he was fully justified in using that word by the peerless leader of his party, as I heard him, both in this Capitol and in campaign speeches. This was the expression—

Mr. RAYNER. Who was the leader?

Mr. JOHNSON of North Dakota. I am not authorized to appoint leaders for your party, but in the literature of our country the peerless leader of the Democracy is generally identified closely enough. I dare say the Senator from Maryland would be a better leader, and either of the Senators from Texas would, I think, be a better leader. But they are not familiarly known to us out West as the "peerless one."

The American people have again been fooled, and they will be fooled to all eternity until and unless this whole subject of federal taxation is rescued from the contaminating touch of politics.

That expression, with reference to fooling the American people, was used in the campaign last fall by the "peerless leader" in the State which I partly represent, and I sat in front of him and heard the speech. There were 5,000 Democrats there and a few straggling Republicans. He used that very expression, speaking of the present tariff law and a certain paragraph in it, to which I wish to call your attention.

He said "they fooled you." "Why," he said, "they fooled me"—the peerless one. Of course, I did not have a right to the floor. I had no right to stand up there and call him to order, as I have here. I had to sit still and listen to it. But the editors of the city—that was in Fargo—I think, were all there, and they learned these ideas from the leader of the Democratic party in the last campaign, and here is a paragraph I wish to read from the last issue of the Searchlight. This comes from Fargo, in North Dakota. It says:

When the Dingley bill was passed the protection to oil was so skillfully hidden under what was known as a "countervailing duty" that few of the Congressmen knew it was there.

He took up that topic and treated it in this way. He said ostensibly on the free list is petroleum, crude or refined, but if you take the law itself and read it carefully, you will find a proviso that kerosene oil, petroleum, or its products, coming from any country that levies a duty upon American oil, shall bear the same duty that is charged in that country against American oil. Now, he said, the fact is in Russia they charge 120 per cent on American oil, and the result is that the Dingley law hedges about this most wicked of all monstrous monopolies and trusts a tariff of 120 per cent, impossible to surmount.

Then he used the expression, "They fooled you; they fooled me." It was pretty hard for me to sit there and see 5,000 Democrats hurrah and clap their hands and applaud, when I and my party were responsible for this kind of policy that he held up to scorn and characterized its framers as dishonest men, or men who fool their fellow-citizens in making laws. I had to sit and take it. But to-day is my inning. I wish to answer that.

The first time there appeared in the legislation of this country any proviso as to kerosene was in 1894. Up to that time we had had no fine print; no proviso. We had the straight figures. The figures had been enormously and ridiculously high sometimes. We had had some very unscientific tariff laws as to petroleum. For instance, in 1866 there was a duty of 40 cents a gallon on kerosene oil—\$20 a barrel. To us in this generation, when crude oil can be bought for 25 cents a barrel, it seems pretty ridiculous to impose a duty of \$20 a barrel. Anyhow, it is so plain that he who runs may read. In 1894 they got this proviso in.

When that law was passed the "peerless leader" of the Democratic party was on the Ways and Means Committee. He was not only a member of the committee, but he was the leader of that committee. He was not the chairman, for, as

many of you gentlemen who served in that House or lived in that day remember, Mr. Wilson was the chairman of the committee. He was a scholar and a Christian gentleman. He was a man of great intellectuality, but he was in poor health at the time and he had certain delicacies and refinements which did not so well fit him for the forum as the "peerless leader" of the Democratic party, one of the greatest living orators of our time. Mr. Bryan was a strong man, and the fighter on that committee. He dominated that committee as he has dominated his party from that day to this.

I sat among those Democrats. The Senator from Maryland was there, the Senator from Texas was there, and the senior Senator from Kentucky was there. The "peerless leader" of the Democratic party was there. I was in a helpless minority of only eighty-eight out of that great House. What could I do—helpless? I looked on and watched the proceedings. I saw these men fix that "dope." I could not stir it. I could smell it. It smelled bad, I thought, politically speaking. I could look at it, but I was not allowed to touch it. They did not fool me, not at all, when they brought that proviso in. They did not try to fool the country; not at all. Instead of holding these men up to scorn as uncandid and dishonest men, as men who fooled the American people when they were seriously charged with the responsibility of making their laws, I bear testimony to their integrity and to their faithfulness, so far as their ability went.

They found this situation: Russia at that time levied 40 per cent duty on American oil. It did not do it in those terms, but it was 29 cents a hundred pounds on crude oil and \$1.43 a hundred pounds on refined oil. That would amount to about 10 cents a gallon. So for all practical purposes it was 40 per cent on refined oil. Crude oil may be dismissed, because practically there was no importation of it.

That was the situation they had to meet. They saw, as I did, that it was unjust to admit Russian oil free when the Russians levied a duty of 40 per cent against American oil. How did they meet that responsibility? They met it with a proviso, the first time that a proviso ever appeared in our schedule of duties on this matter of kerosene oil. They put in this proviso:

*Provided*, That petroleum coming from any country that levies a duty on American oil shall bear a duty of 40 per cent.

That was the first proviso. I am not here to say that it was unjust. I say it was just. They did not try to fool the American people, and they did not. They brought in that proviso from the Ways and Means Committee, of which the "peerless one" I speak of was a member. It was stricken out in the House. Nobody was fooled. But it was put in again in the Senate, and it went into the laws of our country; and I for one, even at this distant day, bear testimony that it was just and it was right as far as it went.

That applies to duties between us and Russia. But how did it work out in actual practice? You know that in this country it takes us years and years to revise a tariff. The Senator from Maryland, the Senator from Texas, the Senator from Iowa, and the Senator from Rhode Island, the men who served on those committees, knew, and I knew, that six years ago we had outgrown the Dingley law. I was one of the first men in the West to raise my voice for a revision. We knew long before the people generally knew that conditions had so far changed that a revision was past due. But we have inherited this Government and its traditions and its policies from our fathers. We can not change it very much. We ought not, in my judgment, to try to change it very much. It is a pretty good thing to leave alone.

How can you go to work to revise a tariff on articles? Five or six years ago Democrats, and Republicans, too, commenced to agitate for a revision, when we knew it was necessary. We first had to interest the people by speeches and in the newspapers, and then we had to get a majority of the national conventions in sympathy with that movement, and we had to adopt a plank in our platforms. That took years. Then we had to elect Members of Congress on those platforms.

Last year we were all agreed—both parties were agreed—on a revision of the tariff, but after the election, even, it took months before we assembled in this Capitol. Then, again, it will take months before we can agree upon this tariff bill. The people of the country think that we can come here, like a state convention or like the Daughters of the American Revolution, and scrap it out in three days or a week and then adjourn and go home. They have no appreciation of the faithful work and the hard work that my colleagues are doing here. In 1897 we commenced on the 15th of March, as we did this year. We made record time, better than ever had been done before in the whole history of the country in work of this kind. We got

through on the 24th of July. That was pretty nearly a year after we were elected.

How do they do those things in Russia? I am a little backward about saying that they do it better. I would hesitate to admit that any country in any respect is better than ours. But I will call your attention to the undisputed fact that they do it quicker. When it is necessary to change tariff laws in Russia, they do not require five or six years' agitation among the people in speeches on the rostrum and editorials in the papers to convince the people, and then call a national convention and put it in the platform, and then make a campaign before the people and elect their members to the Douma, and then thirteen months after they are elected meet, as we would have met but for this extraordinary session, and then labor here months and months to agree on a tariff law.

I will tell you how they do it in Russia. The law was written upon our statute books the 28th of August, I think, in 1894. On the afternoon of that day the laws as between Russia and America on that one point were equalized, and instead of taking six years to change that tariff law, there was a telegram sent from St. Petersburg to Odessa, where most of this petroleum is landed, short and plain, which raised the duty on American oil to 120 per cent. They not only got around the 40 per cent that the Democrats thought they had met, but they raised it 80 per cent more, and that could be done in ten minutes, you know. We could not change that inside of years of agitation.

When in 1897 the wheel of political fortune had turned until we had charge of these schedules, and we were charged with the responsibility, we found this situation: The Russians were charging 120 per cent on American oil. Now, I think, they are charging about 300 per cent. I will take Mr. Bryan's figures on that. It was 120 per cent. Did we simply strike out 40 and put in 120? That would not help. They could send another telegram from St. Petersburg and raise it 80 per cent more. So we changed this proviso. Instead of putting in 40 per cent we wrote it as it is now in the laws of our country:

*Provided*, That petroleum, crude or refined, coming from any country that levies a duty on American oil, shall bear the same duty that that country levies against our oil.

That is the law now.

Now, who was wicked and deceitful in writing the provisos into our law? None of us. I claim that we were honest. I admit that the committee on which Mr. Bryan served, of which he was the dominant member, were honest. I know they were honest, but they bungled.

Mr. Dingley acted the part of a statesman. That is the point. I want to protest against the discourtesy of saying that public men have fooled the American people. I do not like the word. I have been a voter and a politician for some years. I remember watching them as they were voting for Fremont and Buchanan in 1856, although I was not then a voter. I have watched them very carefully ever since, and I have seen them throwing their ballots like snowflakes into the ballot boxes. I have never seen an ordinary voter who acted in such a manner in that supreme moment as to leave the impression on my mind that he was acting from impure motives. So far as I have been able to observe, I have thought that every voter has voted with the idea that he loved his country, that he wished well of his country, that his fortunes were bound up with the fortunes of his fellow-citizens, and that let it go up or down he had to go with it, like the crew or the passengers on a ship.

I will not say men are honest in all their dealings, but in political matters I say they are, and it is the political life of men only that I am talking about now. I have never seen a common voter in the half century that I have watched them who has acted in such a manner as to leave the impression on my mind that he was trying to vote so as to bring mischief and wrong and injury on his country.

Then, let us go a step further, from the common voters to the county or state officers and Members of the Senate. Do you not think that we measure up in that respect to the ordinary standard that we find almost universal among the voters? We ought and we do. In watching these Democrats, of whom I confess I was a little suspicious before I learned to know them, I employ three tests in public life. In two of those tests I could pass them at the 100 mark, if I were a school teacher using examination papers. I would give them 100 on two tests. My tests are these: First, I ask is the man honest; is he sincere? If he fails in that test I have no further use for him in business or in politics. Life is short; and there is such an abundance of honest men to deal with that any man who fails when weighed in that balance and leaves an impression on my mind that he is not honest, that is the last I care to talk with him or think about him.



The next test is courage. That is a little harder. A man will sometimes fail in courage, but not many do. It is wonderful the courage that men will display in public life, it being equal to what is displayed on the battlefield. As I have watched the Democrats for nearly twenty years, I can not think of an instance where they have failed in that respect. They are brave men. It takes more courage to assume the position some of them do, a good deal more than to take our position on this question. I have not the courage to say what some of these men say on the floor. So, then, I give them a certificate of character that they are perfect in these two respects, so far as I know, because they are as brave as men can be.

But there is another test, much more important, much more severe; and right there is where public men fail, if they fail at all. Take, for instance, the pilot of a ship. He will pass the examination on the first two points easily. Here we are in a storm, in a gloom of midnight such as bewildered the Senator from Maryland [Mr. RAYNER] at the opening of his speech yesterday. The pilot stands there at the wheel. His life as well as mine, if I am a passenger, is at stake. The lives of the passengers, the safety of the crew are at stake. I have no fear of his honesty. There never was a pilot, I think, but what if steering a ship in case of danger would be honest.

Another thing is the question whether he is brave. Most of those men are brave. I do not thank the pilot for being honest and for being brave. I expect that as a matter of course.

But the pilot may fail in the third and the supreme test. Is he right? That is the supreme test. If the pilot is wrong and steers that vessel upon the rocks or into the surf and loses the cargo and ship, and I am hurt as a passenger, it is nothing to me that he was honest, it is nothing to me that he was brave; the fact that he was wrong is the one supreme test.

Now, it is just the same way in statesmanship. Few men like Dingley pass this last test of which I speak. There was a Christian statesman, if we ever had one in the history of our country. Let us reverse his memory. It grated upon my ears to hear some Senator here say that in the legislation of the country he fooled the American people. I know he did not. I know he was honest and brave, and I believe that he was right.

This country is watching and waiting impatiently. Their business, their opportunity for making a living, largely depends upon our work. Do not let us send out statements from here unless we know that they are true. Let us not send out speeches to undermine the confidence the people ought to have, and that they do have, lest they be deprived of that greatest of all boons, confidence in their Government, love of their country, confidence in the men they have trusted again and again to come here and make our laws.

Mr. TILLMAN. Before the Senator takes his seat, I should like to ask him a question. The Senator said that there was an agitation for revision and that both parties put it in their platforms. As I recollect it, both the presidential candidates declared before the election that if they were successful an extra session of Congress would be called to revise the tariff. President Taft said it and Mr. Bryan said it. The Senator seemed to be very much hurt because the Senator from Maryland [Mr. RAYNER] said yesterday that we had fooled the people or that somebody was going to fool the people. Anyhow, something was said about being fooled, and the Senator from North Dakota took umbrage at that. Does the Senator understand that the tariff was to be revised up or down?

Mr. JOHNSON of North Dakota. I will try and answer that. I am not an authority on a Democratic tariff.

Mr. TILLMAN. It is not a question of a Democratic tariff. It is a Republican tariff that we are discussing now, and I want a categorical answer. Is it the understanding of the Senator in reference to revision that it was the purpose of the people that the tariff should be revised down or up?

Mr. JOHNSON of North Dakota. If you will just be a little bit patient—

Mr. TILLMAN. Surely.

Mr. JOHNSON of North Dakota (continuing). I will answer that. As you know on this floor it is not customary to answer "yes" or "no."

Mr. TILLMAN. I do not ask the Senator to answer "yes" or "no." Let him answer in his own way, just so he answers. Do not dodge.

Mr. JOHNSON of North Dakota. Just so. We had two platforms. The Democratic party were unequivocal. They stood on a platform in favor of revision and revision downward in every case, and commencing with the necessities of life.

Mr. TILLMAN. We take that as a fact. Go ahead.

Mr. JOHNSON of North Dakota. Now, see how it would work. For instance, we laid a tariff on barley.

The nicest barley I ever saw in my life I saw a man who is now a Member of Congress buy in Dakota. The farmers shoveled it into a car and delivered it on board the car, and he paid 11 cents a bushel for the nicest barley I ever saw.

I was on the committee where I had it in my power to have part of the say as to what should be the duty on barley. I felt like this. The highest price of barley I had ever known was 45 cents a bushel. My colleagues on that committee were very kind and said: "JOHNSON, you are a farmer; you know what the farmers want; can we by our legislation help the farmers? Make the duty on barley just where it ought to be. Put it at 30 cents if it needs that." My idea was to erect a tariff wall of 30 cents a bushel. That was 300 per cent duty on barley. My idea was that no man then living would ever live to see the day when one bushel of barley would be imported over that high wall. That committee made certain peaks stick away up. If I had a profile map of the tariff, the highest peak on the profile map would be barley at 300 per cent.

The Democrats in tearing down this wall would hit barley first. Then they would hit wool and hit potatoes and hay and such things as that.

In our platform we promised that if the American people trusted us with power we would revise the tariff not universally down, not blindly ignorant, without any sense of right or rhyme or reason, whether it ought to go down or not, but we made the rule that any manufacturer and jobber himself could apply as well as we could. All these men want to know is what is the rate to be. They say that is a matter we want settled. Just let us know and we will arrange this matter without the everlasting waiting and uncertainty; we want something to guide us in this business.

We favored this rule: That we would revise the tariff in such a way that we would compensate the home industry the difference between the cost of production at home and abroad. That does not say whether it is up or down. In some cases it will be up and in some cases it will be down.

I heard Mr. Taft, the candidate of the Republican party, make a speech at Fargo during the same campaign, and he explained that, and he told us there, and he told us on the rostrum here, when he was inaugurated, that he thought this would mean in most instances a revision downward, but in some cases it might be upward, and either in a speech made in that same week, I either heard it or read it in a newspaper, he said we might have to revise upward in some instances, and that glassware and crockery might come under that head.

We adopted a platform that laid down our rule, and it is our duty as brave men to carry out that rule on the floor of this House, if it requires us to slightly raise the tariff in some few instances where the foreigner has taken away our market. That is the rule under which we are working, and we acquit ourselves entirely of the trust that is laid in our hands if we go back to our people and say that we have faithfully and conscientiously enacted into law the platform on which we were elected; and according to our convictions we did our duty.

Mr. McCUMBER obtained the floor.

Mr. TILLMAN. Mr. President—

Mr. McCUMBER. I yield to the Senator from South Carolina for a question.

Mr. TILLMAN. The Senate of the United States has sometimes been charged, and I myself have indulged in that criticism, that we can play the game of "how not to do it" with very great skill here. I want to congratulate the Senate upon getting worthy recruits. He is one of the most skillful men in not answering questions who has ever come into this body.

Mr. McCUMBER. Mr. President, that is always a question, of course, of opinion. I would beg possibly to differ with my friend from South Carolina upon that proposition, but I do not care about going into that question at the present time.

The VICE-PRESIDENT. The Senator from North Dakota is entitled to the floor.

Mr. McCUMBER. Mr. President, I stated that I would discuss to some extent the lumber schedule. But when a protectionist gives his vote against the protection of any particular article it is very proper that he should indulge a little in the discussion of the principles which justify him in taking that stand.

A great many of my protection friends upon this floor have scarcely been able to see how we could ask a protection along one line without granting it along every other line. But there is not a Senator here who will not vote, and some have perhaps voted many times, for a free list. He has some standard that guides him in determining what ought to be and what ought not to be upon the protected list of industries.

The most ardent protectionist believes that some articles should be on the free list. He may believe that the greatest good to the greatest number demands that certain raw material should not be compelled to pay a duty. I may believe that the interest of all the American people, present and future, demands that certain of our great resources, now being rapidly exhausted, should be conserved as long as possible by allowing free importations of like products.

Mr. President, purely from a revenue standpoint we possibly could have selected no more inopportune time to revise our tariffs than during the year 1909. Our expenses in the last year have probably been greater than in any other year of the history of the country. Our income has been less than it has been for several years last past.

We have appropriated for this year on the basis of the income of 1907 from our tariff schedules. So we see the difficulties that arise in fixing proper rates.

Tariff revision this year is universally understood to mean revision downward. The public expect, and have a right to expect, from every public address made in the last political campaign, that there will be a general reduction in our tariff duties. Why? Because they understood and believed, as a rule, that the Dingley tariff was altogether too high and that rates could be reduced on many articles without serious injury to the protected business. So the public, I think, reasonably expected from all of the arguments that were made during the last campaign that, generally, the revision would be downward.

Congress in responding to the duty that is imposed upon it by the American public is charged with three particular things. What are they? First, and superior to every other question, is the question of protection. That stands preeminently far above the idea of revising downward or on a horizontal scale or revising upward. The first duty that is imposed upon the American Congress, if I understand the voice of the American people, is that this country shall still go forward under the banner of protection.

The second proposition, and that is subservient to the first, notwithstanding that our Democratic friends seem to think that it should be first, is that we should revise downward, but always maintaining a sufficient wall against foreign importations to protect the American manufacturer, the American farmer, and the American laborer.

The third duty that is imposed upon this Congress is to raise sufficient revenue to conduct the affairs of the Government when economically and properly administered.

So, Mr. President, you will naturally see that the duty is somewhat difficult and complex to meet all these particular requirements. If freed from any other proposition except that of revising the tariff downward, we would have a very simple proposition which we could dispose of in a very short time.

That simple method of disposing of the tariff schedules was indulged in in 1894. We simply revised downward, and the result was instantaneous. Every industry in the United States immediately went downward. One-third of them went into the dust never to revive again until we changed that law. The other two-thirds worried along in a crippled condition during the existence of that law and until a Republican administration was voted in by the American people in 1896. That same simple method of voting everything downward left its wake of destitution from the Gulf to boundary line and from ocean to ocean. Every industry in the country felt the depressing influence.

Mr. President, while I do not believe that this bill is a perfect bill and while I believe that some of the schedules are still too high and while I shall do my very best to lower some of them, I do believe that for the most part we have reduced the rates as far as we can reduce them with safety.

I may be mistaken upon any of those schedules, and although a member of this committee, I am perfectly free to say that if any Senator here can convince me that any one of the schedules is so high that it is prohibitive or so high that it allows the manufacturer to enforce an exorbitant price for his product upon the American people, I will be ready to vote that duty down to a simple and proper protective basis.

Mr. President, I have been much impressed in many respects in the matter of the revision of these tariffs. I have never had any experience heretofore in working along that line, but what has impressed me most and has been brought home to me most vividly is the fact that there are so many ardent, strong, forceful protectionists throughout the entire Southern States, when I had always believed that they were either free traders or advocates of a tariff for revenue. I find in fact a stronger spirit for protection pervading the Southern States than I find in my own strong Republican State of North Dakota.

Mr. President, our friends on the other side have discussed the lumber schedule and some few other schedules considerably more than they have been discussed on this side, and in their discussion they have asked for the highest kind of protective duties, and yet they declare that all they are asking is a tariff for revenue only. But in every argument that has been made on the other side of the aisle there has been placed before the Senate the one great proposition overshadowing all others—that of protecting our laborers, our industry. My friend from Mississippi [Mr. McLAURIN], my friend from Florida [Mr. FLETCHER], who spoke this morning upon the cotton and other schedules, and every Senator who has spoken upon the lumber schedule on the other side, have declared that if we lower these duties we necessarily will close up some of their mills and that we will drive their laborers out of employment. Mr. President, if that is not protective doctrine, then I confess I have never learned what protection means, though I have discussed it pro and con for many years. If the tariff operates to protect any industry against foreign competition, no matter whether the duty is 5 per cent ad valorem or 500 per cent ad valorem, it is a protective duty; and there is no use of our hiding behind terms and calling it a tariff for revenue only. Every tariff is a tariff for revenue. Every tariff which protects—I care not to what extent it protects—against foreign importation is a protective tariff.

Mr. TILLMAN. Mr. President—

The PRESIDING OFFICER (Mr. SMITH of Michigan in the chair). Does the Senator from North Dakota yield to the Senator from South Carolina?

Mr. McCUMBER. In one moment. My Southern friends agree with me upon that principle and can make a better Republican protective-tariff speech than I am able to make myself.

The PRESIDING OFFICER. Does the Senator from North Dakota now yield to the Senator from South Carolina?

Mr. McCUMBER. Always, with pleasure.

Mr. TILLMAN. Mr. President, I am bound to say that the criticism of the Senator from North Dakota [Mr. McCUMBER] is in a great degree just. It simply illustrates what we have learned to call "the zeal of new converts;" but I want to say to him also that a tariff for revenue with incidental protection is good Democratic doctrine. Does the Senator not acknowledge that? We have got very badly mixed here.

Mr. McCUMBER. But the moment that it is protection, incidental or otherwise, it is a protective tariff.

Mr. TILLMAN. It can not be if it brings in revenue and is designed—

Mr. McCUMBER. All protective tariffs bring in revenue.

Mr. TILLMAN (continuing). And is designed specifically for revenue. But I started out to say that we are getting very badly mixed here, and it is pretty hard to tell the sheep from the goats. [Laughter.] I heard yesterday a very admirable speech on the lumber schedule, which was a Democratic speech, from the Senator from Minnesota [Mr. NELSON].

Mr. McCUMBER. I think the reason for this condition is that on the Senator's side they are all getting to be sheep.

Mr. TILLMAN. I do not know. If the Senator wants to assume that he is a sheep and I am a goat, he is welcome to distinguish us in that way.

Mr. McCUMBER. I will not designate the Senator a goat, but as a real sheep; certainly not a lamb.

Mr. TILLMAN. I was just saying that the Senator from Minnesota gave us a very fine Democratic speech yesterday on the lumber schedule, and the Senator from North Carolina [Mr. SIMMONS] I thought gave us a very good Republican speech on the same schedule; and we have listened to the Senator from Florida [Mr. FLETCHER] this morning, wanting everything that Florida produces protected, and it was a very thorough Republican speech, from my standpoint.

Mr. McCUMBER. A splendid Republican speech.

Mr. TILLMAN. As I have said, we are getting very badly mixed; and I am afraid, before we get through, there will not be trough enough for all the hogs to get their snouts into it. [Laughter.]

Mr. McCUMBER. There is one thing of which the Senator from South Carolina can feel certain, and that is, that his State will have an opportunity to reach the trough.

Mr. TILLMAN. I have observed that it is the desire and ambition of his life, on the part of the Senator from Rhode Island [Mr. ALDRICH], to inveigle or bamboozle or wheedle or persuade, or whatever other instrumentality he may use, enough Southern Democrats, so-called or actual, to clamor for protection on some little item in the bill which will give them some little part of this swill. [Laughter.] I am reminded of



a scene which I have witnessed in the past, when I was on the farm and was feeding pigs. The pretense of a protective tariff is that we must have our "infant industries" protected against foreign pauper labor. All of us who are acquainted with farms and farming know that young pigs do need a little help about weaning time, and a good farmer will provide a trough apart from the herd of hogs, a kind of pen, for instance, with a little trough in it, in which he will feed these youngsters just when the mother has ceased to care for them. That is protecting an infant industry. If he is a good farmer, he will continue to feed those pigs until they have reached a period when the greatest profit in the food going into the meat will have arrived, and then he will slaughter them. But his trough will have to grow in length and in depth and in width and otherwise. He will have to provide an increase of food, but the good farmer will always stop feeding as soon as he has reached a point where the food is merely turned into them to maintain them without increase, leaving no profit.

Will the Senator from North Dakota contend that it is wise policy and statesmanship for us, as Americans, to continue to feed the hogs just because they are hogs? [Laughter.] In other words, to protect these fellows with tusks as long as my arm, like Carnegie and Schwab and that crowd?

Is there any honest pretense or excuse that in the iron schedule the manufacturers of iron and steel rails, for instance, now need any protection? Can we not prove by facts and figures that we can manufacture steel cheaper than it can be manufactured in France or in England? Was it not proved in the bidding by the British Government for the construction of a bridge at Atbara, some 10 or 12 years ago, that American manufacturers of structural steel got the contract because they could beat the German, the Frenchman, and the Englishman? Yet Carnegie, and Schwab and Corey and Gary, and that bunch, have such control and influence, that the iron schedule is maintained at the maximum, away up yonder, far above any reasonable and decent revision. What are these people but hogs with their snouts in the troughs of the American taxpayer and consumer? I say that we want a decent tariff; we want a tariff which will levy enough on those things which can pay something like an equal proportion of the burden, judging by the consumers, to give us what we need to support the Government administered economically. That is my idea of a tariff, and, if it protects anybody, let him get it. I will even go further. I believe it is for the best interests of the people of this country that we should produce everything that we can in America. But there are certain things we can not produce, and why should we pretend to levy tribute upon one-half or two-thirds or three-fourths or nine-tenths of the people of the country to benefit a few? That is your doctrine, and that is the difference between genuine Democracy and Republicanism.

Mr. McCUMBER. Mr. President, it would be a pleasure to follow up each line of argument that has been made by the Senator from South Carolina; but if I did that it would take considerable time that I desire to give to the particular subject under discussion. The Senator's illustrations are generally apt. I think, however, they are a little off when he accuses all of his colleagues on that side, or the great majority of them, of being bamboozled or wheedled over into the Republican ranks. I will admit with the Senator that they are jumping over each other in order to get upon the great American band wagon of protection, but I believe they are doing it because they think that it is for the best interests of the American people. When I apply the policy of protection I try to apply it to all the American people, because we are all producers and we are all consumers, and a policy of protection which is properly levied would help the producer on the one side who becomes the consumer upon the other side. I know that the doctrine of Democracy has been opposed to that. I know that your people have declared again and again that the protective policy always made some men rich, who are always the other people, and always made your own people poor. I have not found that to be the case. I have never found a policy which helped one class of the American people that did not help the other classes of the American people.

We may divide this country practically into two great classes—those whom we will call the agricultural class, who produce things to eat, and the manufacturing class, who produce things to wear and to shelter us. The \$40,000,000,000, or thereabouts, of American internal commerce is the trade of one thing for another, the trading of things to eat for things to wear and shelter.

The value of any product, as every thinking man must know, is fixed by the demand in the field of consumption and not the value in the field of production. If you have nothing but desti-

tution and poverty at the place of consumption, you will not secure very high prices for your goods at the place of production. If the farmers of this country raise 600,000,000 bushels of wheat for a home consumption that will take up every bushel of it they are far better off than they would be if they had to force their product into foreign countries against the production of the entire world, and I hope the time is not far distant, Mr. President, when we will not export one bushel of grain or flour. I believe that time is very near at hand. If the farmer's crop falls or if he gets poor prices for his crop, he is just that much crippled in buying the manufacturer's products and the manufacturer suffers accordingly. If, on the other hand, by the adoption of a policy which takes away protection to our manufacturing industries, we close our mills and factories and pauperize half of our population, the natural consumers of the farmer's products, the farmer will suffer just to the extent of the injury that is inflicted upon the manufacturing class.

I want a policy that will help both sides. I deny that any political policy can make one-half of the American people rich and the other half poor at the same time. Why, my friend, returning to your hog proposition, that Democratic fallacy is no more of a fallacy than the declaration that the farmer can feed his grown pig in such a manner that he will grow fat on one side and lean on the other side at the same time. [Laughter.] The one is a physical, the other an industrial impossibility. Any just policy that will hold for higher prices to the American people throughout is a policy that we are bound to follow.

Mr. TILLMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Carolina?

Mr. McCUMBER. With pleasure.

Mr. TILLMAN. I should like to call the Senator's attention to this phase of the hog proposition, and ask him a question. Does a hog ever get grown? Does he ever quit putting on flesh and fat?

Mr. McCUMBER. Mr. President, the American people have not reached their ultimate growth.

Mr. TILLMAN. No, but some of our industries have.

Mr. McCUMBER. The American people do need to be protected as long as they are growing. One industry alone does not make up all of the industries of the American people. There may be a duty upon the steel industry to-day that is too high, and if the Senator will show me wherein one single schedule is beyond a reasonable protective point when we come to the discussion of those schedules, then I certainly will vote with him. I have not time to take up each schedule now, and I purpose to speak of only one proposition.

Mr. TILLMAN. I want to ask again, Does a hog ever get grown?

Mr. McCUMBER. The American people, if you want to apply the hog proposition to them, have not attained their full growth yet.

Mr. TILLMAN. I understand that; but that is a neat dodge of the Senator so as not to answer the direct question.

Mr. McCUMBER. Mr. President, everybody dodges anything that the Senator from South Carolina wants to get hold of.

Mr. TILLMAN. Sometimes a good many of you have dodged.

Mr. McCUMBER. The only simon-pure honest man in the whole world is the Senator from South Carolina. I have discussed, and other Senators have discussed, this question very often with the Senator from South Carolina, and again and again he has spoken from his seat challenging the integrity of every Senator who may possibly disagree with him upon any possible subject. I do wish that for once in his life the Senator would get it out of his mind that the Lord Almighty has tied up all of the sincerity and honesty in the world in his hide. It is not true. There are other men that can be sincere, Mr. President, who disagree with the Senator from South Carolina.

Mr. TILLMAN. Now, Mr. President, will the Senator permit me?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Carolina?

Mr. McCUMBER. With pleasure, always.

Mr. TILLMAN. I leave it to my colleagues here whether or not the criticism which has just been passed upon me of being egotistical and having self-idolatry and vanity enough to assume that I am the only honest man is true or not. I asked the Senator the plain question, Did he know whether a hog ever gets grown or not, and he ought to be man enough to say "yes" or "no."

Mr. McCUMBER. If the Senator, a cornfield lawyer, does not know to-day when a hog gets its growth, I shall not try to instruct him.

Mr. TILLMAN. Yes, but if the Senator from North Dakota, who is not a cornfield lawyer, but another kind of lawyer, has not got courage enough or honesty enough to answer a plain question "yes" or "no," we all know what he means by it.

Mr. McCUMBER. Oh, Mr. President, the reason I do not answer is that I am not going to tell the Senator that h-o-g spells hog. I presume that he has gone through his primer long ago and does not need to ask of intelligent men questions of that kind that are as unworthy of answer as his last declaration is unworthy of the Senator that utters it.

Now, Mr. President, I will return to another matter that has been suggested by the Senator from South Carolina; and that is, that these men from the South are new converts and, like all new converts, always go to extremes. They have been new converts, and they do go to extremes. I can not imagine how any one of them who lived in the United States from 1893 to 1897 could help being a convert to any kind of a new political faith; and, being converts, I will excuse them for their excessive zeal, because, like all converts to any new political faith or to any new creed or ism, they always carry their doctrines beyond those of the old school. They are going to vote and preach for policies of protection that even Republicans would blush to urge.

Mr. President, with the breaking up of the old party lines upon the principal question that has heretofore divided the two great political parties—the principle of protection—and with the force and energy of the Democracy bearing in favor of high tariff, it seems to me that it is most pertinent and proper that we should return to first principles to guide us in our future action in the fixing of any particular rate upon any particular article.

What are the principles that constitute the foundation of our Republican doctrine of protection? We seem to have forgotten them on both sides of this Chamber. Those principles have been reiterated again and again in almost every political campaign wherein that question has been raised. What are they? They are, first, the development of an industry that is capable of development. There is the first proposition. If an industry is incapable of development, if it is incapable of expansion, then there is no reason in the world for having a protective duty applied to that particular industry. I may go further and agree with my friend from South Carolina that if an industry, having been protected during a number of years, has reached the limit of expansion and, by reason of the exhaustion of the raw material, is bound to reach a state of extinction in a very short time, then the principle of protection has no further application whatever to that particular industry.

The second principle is that by expansion and development there will ultimately follow decreased cost to the consumer. We can not allow ourselves to forget that the consumers of any one article must necessarily vastly exceed in number the producers of such article, and the system which will continually compel the greater number to pay a tribute to the few without a corresponding benefit must be inequitable and unjust. In other words, the compensation to the consumer for the payment of an extra price to the producer to-day is that he shall be called upon to pay a less price than he otherwise would to-morrow.

So far, nearly every article on which a duty has been levied has responded to that idea, has resulted in such diminished cost to the consumer that to-day all the comforts and nearly all of the luxuries are within the grasp of men and women of moderate earning capacity.

Or, placing it in another form, a given amount of expended labor produces more comforts and more luxuries to-day than ever before in the history of the world; and to the principle of protection is due the credit for these blessings.

I shall not stop to discuss here the reason for it now. The truth will be brought home to us most vividly by the immediate enhancement of values whenever a single industry is crowded out of existence.

But whenever, by reason of the exhaustion of the raw material out of which any article is manufactured, the price must become more and more to the customer, the reason for the protection falls, and with it should fall the duty which is given that protection.

The third principle is that protection gives employment to our own people. But here again it can only be justified when such employment can either be increased by the protection or at least remain stationary.

There is no economic gain which decreases the opportunity for future employment in an exact ratio to the increase of present employment. There is no principle of protection which will sacrifice the immediate future to the present.

From each and all of these principles follow a deduction that is as mathematically correct as that 3 and 2 make 5. That deduction expressed in a simple proposition is this: No resources of the country which when once utilized can not be reproduced, and which are certain of exhaustion in a comparatively few years, should be protected against importations. No tariff should be levied upon iron, coal, oil, or timber where a duty upon any one of these articles contravenes every principle of the protective policy of the Nation.

First, because production is incapable of expansion without corresponding exhaustion.

Second, because, as we near exhaustion, the values necessarily increase and can not decrease.

Third, because, instead of increasing employment of labor, the final result is to discontinue employment of labor entirely.

Mr. President, if it is true that we are certain to exhaust our timber supply in a very few years, then there can be no justification for a protective policy applied to that timber for the purpose of expanding the industry. The proposition that we will have cheaper lumber by greater expansion and development of business gives way to the economic principle that we will have higher lumber by reason of exhaustion of the raw material of which it is composed. There are other reasons for placing lumber upon the free list.

Mr. PILES. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. With pleasure.

Mr. PILES. I want to see if I understood the Senator correctly. I take it from his argument that he believes the removal of the duty on lumber would conserve the forests. Is that the Senator's position?

Mr. McCUMBER. I certainly do. I will touch on that point a little further on. I have heard the arguments on the other side, and I will balance what I have to say on my side against the proposition which I know the Senator has in his mind, that cheap lumber means the waste of a great portion of every tree that is cut.

Mr. PILES. As I understand, the Senator argues—and I heard him say yesterday—that the timber supply would be exhausted within thirty years. I understand him to argue to-day that it would be better for the present generation to work at reduced wage in the mills and the woods for the next thirty years, just to continue our lumber business.

Mr. McCUMBER. Oh, no; Mr. President. I have never thought for one moment, nor do I believe now, with the consumption of a raw product which is becoming absolutely extinguished at the rate, at least in my opinion—the increase of population considered—of 5 per cent per year, that it can ever go down to such a price that it will not give reasonable employment to labor so long as it lasts.

Mr. PILES. But does not the Senator admit—

Mr. SCOTT. Mr. President—

The PRESIDING OFFICER. To whom does the Senator from North Dakota yield?

Mr. McCUMBER. I yield to either. I do not care which is first.

Mr. SCOTT. I wish to ask the Senator from North Dakota if he could not find something else that we have in West Virginia which he thinks should not be protected? The good Lord made it possible for us to find oil and coal and iron ore and lumber in my State. It was His great privilege to give the Dakotas a great soil—6 or 8 feet thick—on which they can raise grain for a great many years. The Senator, I suppose, thinks the Lord discriminated in his favor and against us, because we happen to be a mountainous State filled with minerals, with oil, with coal, lumber, and that therefore we should have no protection; that he should have 70 per cent on barley and an additional protection on grain, and of course we are not to be considered in any revision, except merely to put us out of business. I suppose the Senator thinks that the Lord did not intend for anybody to live in West Virginia.

He wants free nails, free iron and steel products of all kinds, free lumber, free coal, free oil out in North Dakota, and at the same time pleads that the products of his State must be placed on the dutiable list. Mr. President, I believe in protection that protects everywhere. As I said at length in the Senate, on Tuesday, I would extend to the products of every State, agricultural or manufactured, the same protection I ask to be given to the products of the State of West Virginia—agricultural or manufactured. I can not understand why a Senator in favor of protection desires the products of his own State taken care of and the products of another State placed on the free list. I



believe that protection should protect the American people as a whole and not the citizens of one State at the expense of the citizens of another.

Mr. McCUMBER. The Senator's excessive duty on barley, 70 per cent, and the like, agrees entirely with the excessive idea he has concerning the condition of the State of West Virginia. I listened to an argument from the Senator himself the other day about those bleak hills in West Virginia. He had them covered with sheep and with cattle, some of the best cattle in the world, whose excellent meat was to supply the plate of King Edward, and sheep that excelled anything else in the United States.

Mr. SCOTT. That is true.

Mr. McCUMBER. And other agricultural products—and now he says they have not anything but coal and wood and a little oil.

Mr. SCOTT. Mr. President, the Senator must not misquote me. I did not say we had nothing else.

Mr. McCUMBER. That was the conclusion I rather drew—

Mr. SCOTT. Yes; that you drew.

Mr. McCUMBER (continuing). From the Senator's argument. Now let us see. I did not intend to reach that point just at this moment, but I may as well take it up right now, because my friends on the other side have again and again asked us why we who are asking for protection on our agricultural products are not willing to give them protection for timber and coal and oil and iron. I have already given the fundamental reasons—because, I answer, protection upon any one of those articles, when they are about to be exhausted, contravenes every principle of the Republican doctrine of protection. That is an answer in itself.

But, Mr. President, I want to take up the Senator's challenge along another line. His people probably manufacture wire nails there. They probably manufacture iron products. They probably manufacture cutlery and a thousand other iron products, and we have given protection higher upon those products than upon any agricultural products in the United States. We are giving upon some of those things protection whereby the domestic manufacturers have not only the entire trade of the United States on wire nails, but we have in addition enabled them to sell the product abroad year in and year out cheaper than they are selling it to us, and if the Senator wants any more of a sacrifice than that on the part of the great agricultural community, I do not know what it can be.

Mr. HEYBURN. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Idaho?

Mr. McCUMBER. In just one moment. I want to say we stand for protection upon every article which can be produced and reproduced again and again, but, as I stated yesterday, you can reproduce your nails, your wire, your fabrics, many times a year; and I will protect them. We can produce our crops but once during that time, and we ask protection upon them; but I want to tell the Senator that if it took us a hundred years to raise an ear of corn, as it takes a hundred years to produce that tree you cut this year, we would not ask for protection against importations.

Mr. HEYBURN. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Idaho?

Mr. McCUMBER. With pleasure, Mr. President.

Mr. HEYBURN. I should like to inquire of the Senator from North Dakota if he has estimated the decrease in the amount of timber that would be cut here had we free timber in this country?

Mr. McCUMBER. Yes; I have to a certain extent.

Mr. HEYBURN. What would it be?

Mr. McCUMBER. We are using now for lumber about forty and one quarter billion board feet. We are at present importing about nine hundred million feet from Canada. I am not certain that with a reduction of the tariff we would import more from Canada—

Mr. HEYBURN. Then—

Mr. McCUMBER. One moment. If removing the duty does not increase the importations from Canada, then it will not injure the American trade. If it does increase the importations from Canada, then we would save just to the extent that we increase the importations, assuming we would use about the same proportion of lumber each year per capita.

Mr. HEYBURN. I should like to ask the Senator if in his judgment the wages paid in this country to the people engaged in the lumbering business would be decreased by free lumber?

Mr. McCUMBER. If we increased the importations from Canada 20 per cent, we would naturally decrease the production here 20 per cent, and if we decrease the production we would naturally affect labor to that extent.

Mr. HEYBURN. I will ask the Senator if this proposition has occurred to him: Does it decrease the forests of this country any more rapidly if men work for a dollar a day less than if they received the standard wages? Would it affect the question of the exhaustion of the timber?

Mr. McCUMBER. Yes; it would affect the question of the exhaustion of the timber, because the greater the price for the timber in this country, naturally the greater would be the inclination to produce it, and as you increased the production you would naturally devastate our forests at the same ratio.

Mr. HEYBURN. I should like to ask another question, if the Senator will pardon me.

Mr. McCUMBER. I am always glad to get suggestions.

Mr. HEYBURN. Does the Senator contemplate that under free lumber the amount of lumber coming into this country would be greater than under existing conditions?

Mr. McCUMBER. I have already answered that.

Mr. HEYBURN. The quantity of lumber?

Mr. McCUMBER. I have already answered that. I believe that the quantity of lumber coming into this country would be slightly increased.

Mr. HEYBURN. Would the decreased production in this country tend to diminish profits and diminish the rates of labor?

Mr. McCUMBER. If we had inexhaustible forests, that reason would be a good and valid one, but inasmuch as we have not inexhaustible forests, there are other things more important to the American people to-day than the little price added as a compensation to those engaged in slaughtering our forests.

Mr. HEYBURN. I should like to ask another question. Would the forests be more rapidly exhausted, in the judgment of the Senator, at a wage rate of \$2 a day than at \$3 a day?

Mr. McCUMBER. I think I have answered that. I have answered it twice, I think. I can answer it a third time. The higher the price of lumber in this country the more rapidly, other things being equal, will be the exhaustion of the forests of this country, to reap the higher price.

Mr. HEYBURN. I will ask the Senator only one other question. Is this country producing more lumber than it needs to maintain existing conditions of prosperity?

Mr. McCUMBER. This country is not only producing practically all we use in the United States, except less than 1,000,000,000 feet, but it is also shipping abroad and out of this country a great many million feet.

Mr. SCOTT. Before the Senator returns to his set speech, may I ask him a question?

Mr. McCUMBER. I will say to the Senator I have no set speech.

Mr. SCOTT. I hoped the Senator had. Does the Senator think if the duty were taken off lumber entirely it would cheapen it to the consumer?

Mr. McCUMBER. I intended to come to that as I go along, but I may just as well answer it now.

Mr. SCOTT. There is another question I wish to ask. I will put them both in one.

Mr. McCUMBER. Very well.

Mr. SCOTT. When, some years ago, we took the duty off of coal, did it lessen the price to the consumer in North Dakota?

Mr. GALLINGER. Or in New England?

Mr. SCOTT. Yes.

Mr. McCUMBER. Preceding that condition we had a tie-up in our mines, which made coal extremely scarce for a while, and naturally while those conditions prevailed we would hardly expect coal to go down, either in the Dakotas or anywhere else, to an appreciable extent.

Mr. PILES and Mr. ELKINS addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator from North Dakota yield?

Mr. McCUMBER. I will yield first to the Senator from Washington.

Mr. PILES. Before you get away from that subject, I want to get the Senator's attention to this point. The Senator said a moment ago that substantially whatever the importations from Canada were would save that much of the forests of the United States, and that would conserve our timber. I desire to ask the Senator if he does not know that the real struggle here is, on the part of Canada, to invade the American market with her low-grade material? Does he not know that in 1894 Canada issued a campaign document in which she showed to the people of the Canadian provinces that by reason of the reduction of the duty

on white pine to \$1 Canada saved from 30 to 50 per cent of her common lumber, which she admitted through her government officials they had wasted in the forests; and if, as a matter of fact, the removal of the duty on lumber does not mean wasting from 30 to 50 per cent of the lumber that the American people own in American forests, because it simply gives to Canada the market for that rough lumber which we would have?

Mr. McCUMBER. During all the time of our tariff upon lumber, we have increased our exportations into Canada at a greater per cent than the importations from Canada have increased.

Mr. PILES. Yes, but—

Mr. McCUMBER. A moment. Canada still exports more into this country than we export into her country. But we are gaining over her exports to this country year by year under the present conditions, and we are outstripping her three to one in all the foreign markets of the world.

Mr. PILES. In the first place, the Senator from North Dakota, who has evidently investigated this question, knows that it is the higher grades of lumber produced in this country and not in existence in Canada that Canada takes from us. Let me give you an illustration right there.

Mr. McCUMBER. Shingles.

Mr. PILES. He is endeavoring to put shingles on the free list, for instance. Canada sold to us more than \$2,000,000 worth last year, and we sold her \$8,073 worth.

Mr. McCUMBER. I am very glad to have the Senator call my attention to that subject. Canada is giving the Americans a better grade of shingles than our producers are giving us.

Mr. PILES. I will reach the shingle question—

Mr. McCUMBER. I will reach it now.

Mr. PILES. All right.

Mr. McCUMBER. She is giving us a better grade than we are producing at home, a higher-priced grade, and we have been paying a higher price for them. Why? Because she has taken greater care in the selection and in the making of the grades than our American mills do.

Let me tell the Senator what happened a short time ago out in his own State. The shingle makers got together and discussed the tariff question, and they solemnly resolved that if we lowered the duties upon the shingle schedule in the United States they would do what? They would make better shingles. That is all.

Mr. PILES. Let me ask the Senator—

Mr. McCUMBER. That is all they will have to do—separate those shingles, give them the same care that is given at the Canadian mills in keeping the high grades together, and my belief is that you will be able to hold the high grades as against the Canadian importer.

Mr. PILES. But does not the Senator know that the shingles in Canada—and I speak now particularly of British Columbia—are made of the very highest grade of cedar.

Mr. McCUMBER. Yes.

Mr. PILES. Whereas upon the very line of forest conservation of which the Senator has been speaking we go into our logged-off land and cut down old stumps and make them into a shingle that is just as good as the British Columbia shingle, but not probably so good looking. We are conserving the forests, extending the timber supply of the people of this country for many years yet to come, while the Senator would want us to destroy it in order to give our markets to Canada.

Mr. McCUMBER. Anyway, the American buys British Columbia shingles at a higher price, I think, than he pays for American shingles, because he regards them as a better selected shingle.

There are three counties in the Senator's own State, as I understand, that have practically as good cedar as there is in British Columbia. I am not certain it is just as good, but I understand it is just as good timber for the manufacture of shingles, and they will be able to manufacture them—

Mr. PILES. I should like to explain that to the Senator.

Mr. McCUMBER. I will say to the Senator I will take that up logically in just a moment.

Mr. BEVERIDGE. Mr. President—

Mr. McCUMBER. I yield to the Senator from Indiana.

Mr. BEVERIDGE. Is it the Senator's conclusion that if the tariff was taken off Canadian shingles the American people would get at a cheaper price those superior shingles, which they must buy anyhow?

Mr. McCUMBER. Without discussing the question whether the price would be cheaper or higher, because I believe lumber is going to the skies anyway, no matter what we may do, I be-

lieve that we would get a better class of shingles probably for the same price.

Mr. ELKINS. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from West Virginia?

Mr. McCUMBER. Certainly.

Mr. ELKINS. I wish to ask the Senator a question. I believe it is his theory that because when you cut down a tree it is destroyed forever, therefore lumber should be put on the free list; that the tree is utterly destroyed and extinguished and can not be reproduced; that any article or product that by use is extinguished or destroyed, such as coal, oil, and lumber, should not be protected, but its existence prolonged by bringing in such articles and products from foreign countries.

Mr. McCUMBER. The tree can not be reproduced in any reasonable length of time, and can only be reproduced at enormous expense.

Mr. ELKINS. With the Senator's consent—

Mr. PILES. I should like—

Mr. ELKINS. Wait.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. I can yield to only one at a time.

Mr. ELKINS. And the Senator declares as the reason for putting a duty on barley and wheat is that they can be reproduced every year.

Mr. McCUMBER. The same as upon wire nails and a thousand other articles.

Mr. ELKINS. Wait. You can not eat wire and nails.

Mr. McCUMBER. You consume them. You can not eat lumber.

Mr. ELKINS. How does the Senator reconcile this situation or condition: The soil that produces wheat, barley, and oats gives out. Forty or fifty years ago New York was a wheat-producing country. Now you can not get wheat out of the soil of New York and not out of Ohio, West Virginia, or the older States. Does it not occur to the Senator that the very soil in his State which produces barley and wheat so wonderfully now may give out, and it is certain to give out if the rule holds good in his State as it has in others. And if it does, why should we not apply to it his rule of not levying a duty? Why should not barley, oats, wheat, and other farm products for the same reason be put upon the free list, because the soil in his State will give out ultimately? Its fertility is not assured, but is temporary in its richness as in the other States.

Mr. McCUMBER. There are some pretty old countries in this world which have had their soil cultivated for thousands of years and yet the soil has not given out; and I maintain that whenever the American people protect their soil as the soil is protected in Germany, Holland, France, and Italy, and in the little kingdom of Japan, we will never exhaust it. If it is properly taken care of, as it is in Great Britain, it will become better soil year after year instead of becoming exhausted.

The second proposition is that even though we have to change from wheat we will change to some other crop. But these great mountain sides are fitted for no other purpose than to grow timber for the purpose of conserving our waters; for the purpose of maintaining our streams at the present flow; for the purpose of checking floods; and for the purpose of protecting the mills that are run by those streams.

Mr. ELKINS. The Senator has admitted that the soil will give out.

Mr. McCUMBER. No, I have not admitted anything of the kind.

Mr. ELKINS. He has said they would change from barley and wheat to something else; and he cites Great Britain. Great Britain can not raise enough wheat to supply herself, nor can any of the countries of Europe.

Mr. McCUMBER. Great Britain raises a great deal more wheat to the acre than we do.

Mr. ELKINS. But she does not raise enough, and, as I understand, her soil is exhausted, and restoring it is so expensive that raising wheat and grain is not profitable.

Mr. McCUMBER. It is because she has too many people for her little territory that she does not raise sufficient.

Mr. ELKINS. I want to submit to the Senator this proposition: Just because the timber industry is an expiring one, a disappearing one, and can not last forever—although I do not know what is in his mind as to the length of time, whether a hundred or two hundred years—the investor in timber lands and the lumber industry is not to enjoy any protection. I think the case is parallel with the soil giving out, and that barley and



wheat will not last, and therefore every product in his State, if you please, will pass away, and therefore should not be protected. In the wreck of matter and the crash of worlds this earth and even the stars will give way and become dust, and therefore we must not impose a duty upon anything not permanent. Nothing is permanent; nothing will endure forever. So your rule would apply to any article produced, because all articles or products must pass away. How long must a product last to be entitled to protection? What number of years—fifty years, a hundred years, or two hundred years? If it is going out in five years, then it must not be protected and be open, free to the world and foreign labor, and there must be no duty on it—no protection. What is to become of the capitalists who have invested in timber lands and sawmills and the people who depend on the lumber industry? Are they not to be considered in taking account of American industries? Take the capitalist who invests his money and is ready to carry on the business. Must he be stricken down because timber will some day give out and is a disappearing industry?

Mr. McCUMBER. I can see a little bit of difference; possibly it is very slight to the Senator from West Virginia, but I can see a considerable difference between thirty years from today and that future time when the sun shall burn itself to ashes. I can see a reason for applying a principle to conditions as they exist to-day and to conditions as they are bound to exist within a very few years, and applying it to some far-off period beyond our imagination.

I am now going to hold to my text a little while. I want to answer any question, but I do not want this address to consist of questions and answers.

Recapitulating, I said that I object to a tariff duty on any of those articles which once utilized become forever exhausted to the American people, where the exhaustion is clearly within the immediate future. Why? Because the iron, coal, timber, and oil are bound to be exhausted in this country within a very short time; because the industry is incapable of expansion without a corresponding exhaustion; because the values increase instead of diminish as we reach the period of exhaustion; and finally because the ultimate result will be to discontinue labor upon those articles entirely, and that within a very short time.

Mr. President, when will this become exhausted? One of the greatest speeches that I have ever read in my life, one full of meat, one replete with warning to the American people, is the address given by Mr. James J. Hill on the 3d day of September, 1906, upon the squandered resources of the American people. In that address, in which he went very clearly and fully into the subject, referring to very many treatises upon the question of the exhaustion of these national resources, he announced that coal could not last over one hundred years, even at the present rate of consumption; that available iron ore, at the present rate of consumption, could not last more than fifty years. I do not think that this comes from his address, but, from the best information I can get, at the present rate of consumption the lumber supply of this country will be exhausted in about thirty years and the oil fields will be exhausted in anywhere from twenty to fifty years, depending upon the new fields that may possibly be found in other sections of the country.

Mr. President, from my view point I am forced, therefore, to vote against a duty upon those particular articles unless I am convinced that the duty will not check importations. I am a little inclined to think that a small duty upon iron ore will not check importations whatever. I know that no country upon the face of the earth can compete with the United States Steel Corporation in the production of iron ore along the shores of Lake Superior. There may be certain points where there would be some competition between the home production and the foreign production, but my conviction is that at those points the importation would come in whether we put a small duty upon it or not, and therefore I shall not object seriously to a small duty upon iron ore. Such duty would be a revenue and not a protective duty. I only want the duties to be so low that exorbitant prices can not be charged.

Mr. President, I think with the exception of those four articles I stand as strong a protectionist as any Member upon this floor. If I differ in any way from those upon the Finance Committee on the question of duties, it is a difference upon the application of what is the proper duty and not a difference upon the question of protection itself.

There should be some rule, it seems to me, that should guide us in the levying of a duty, and we seem to have forgotten that rule entirely. What is it? It has been declared again and again by the present occupant of the White House in his

addresses before the American public. It is that every duty should measure the difference between the cost of the foreign product and the cost of the same product in this country, which, of course, will include a reasonable return upon the investment, and I may add that it ought to be enough more to justify the risk in the trade. We can not expect capital to invest in any business if we simply say, "We will not let you make more than 6 or 8 or 10 per cent." If we were to state the exact amount which they should receive as a reasonable profit under favorable conditions, then we would be equally bound to declare that we would make good those prices under unfavorable conditions; and so that element should always be kept sight of in the fixing of any tariff schedules.

This probably can better be illustrated than defined. We will say that the raw material and labor upon an article produced in a foreign country amounts to 90 cents. A reasonable return upon the money invested and risk of investment we will say would be 10 cents. That would make the foreign cost of the article \$1. Now we find that the cost of the raw material plus the cost of labor in this country for the production of the same article is \$1.40, and that a reasonable return upon the investment and risk is 10 cents. That would make the cost of the article in this country \$1.50. Eliminating the cost of transportation, this would put the foreigner and the American upon the same footing in the markets of our country. The tariff, therefore, ought to be a sufficient amount above that to give the American a preference in his home field. Ordinarily the difference in the cost of transportation will give him that preference.

A tariff based upon this principle never could become oppressive to the consumer. The American in the case cited could make a reasonable profit by selling his article for \$1.50. Now the effect of a tariff just sufficient to be a protection will always be to keep the purchase price of an article in this country on a reasonable basis by a self-acting adjustment. If the American should sell this article for \$1.60 which he can sell at a good profit at \$1.50, the foreign merchant can then afford to pay the tariff and make a reasonable profit. And if such prices should be kept up for any length of time, the influx of foreign goods would drive the price downward, thus compelling the American manufacturer at all times to sell for a reasonable price in order to hold the American field. Of course if we make the tariff in the case cited 75 cents or \$1 instead of 50 cents, the exorbitant prices could still be charged without danger of importations. This condition we should avoid.

Therefore, as a foundation for a perfect protective system in this country, we ought to be armed with full information as to comparative cost of production of every article without and within this country. For the most part we have not such facts before us. I presume if one would go through the eight or ten thousand pages of House hearings he could pick up considerable along that line. But nothing is presented to us in an orderly, logical, or accurate manner upon this most important subject. As I am forced to act without the information which I would like to have to aid me in the duty of fixing rates, I feel more than ever the necessity of some commission or bureau whose duty it shall be to ascertain these facts every year and keep Congress informed upon them. I do not think we need a commission to pass judgment on what we should do. Congress is charged with the duty of exercising the judgment. We should have a commission or bureau to furnish the facts upon which the judgment could be based.

We are not, however, wholly without information along this line. Assuming that the selling price of an article in any country has some proper relation to the cost of production in such country, we probably have information that might be called a substitute for that bearing upon cost. A large portion of our duties are ad valorem and we have, therefore, the selling price at home and abroad which has been utilized in making up these schedules.

If we can find any instance in which the spread between the cost of production at home and abroad is more than enough to measure what would be a reasonable protection, I stand with any Democrat or any Republican to reduce it down to what is reasonable, but never below the protective principle upon the basis of the present prices of wages.

I wish now to consider the duties imposed upon lumber, coal, iron, and natural resources which, by use, become lost to the country. Under my theory the protection of every article which comes from the soil directly or indirectly and can be reproduced again and again ought to be under good and sufficient protection. Every article of manufacture from our looms, every fabric, every one of the thousands upon thousands of manufac-

tured articles should be amply protected. We pay at least double the amount of wages to every laborer in the United States that is paid in any other country in the world. That higher priced labor necessarily places all articles which come from labor upon a higher plane of value. In order to maintain the higher price for the labor it is absolutely necessary to maintain the higher price of the products. If the laborers of this country as a whole produce no more than is consumed in the country, very little gain would be had by reason of remaining upon this plane of higher values for everything. But whenever as a whole the laborer produces much more than he purchases, the high-priced value of the articles and his labor which produced them must necessarily inure to his advantage. I want to show that these rules have no application to those articles which I have mentioned.

Mr. President, the first great sovereign duty, a duty transcending all political fealty or partisan affiliation, is the duty of the Government to subserve the interests of the people.

As the first duty of the head of a family is to safeguard the interest of the generation that is to succeed him, so also the highest and most sacred duty of government is to conserve, not alone for the next generation, but for all future generations undiminished, except so far as may be necessary for the present, the great resources of the country.

I have no patience with the doctrine so often preached that we owe nothing to the future; that the future must take care of itself, and that it will undoubtedly find means to do so.

This is not alone our country. It belongs to our children's children. We have the right to use it, but not the right to so use it as to destroy its use to them. I know people still scoff at the idea of conserving our great resources for the future and call it "pessimism."

Great Britain long supposed that with her coal and iron she would be able to rule the markets of the world. To-day her mills are empty, her almshouses are filled to overflowing. Destitution settles like an ominous cloud over that great Empire. I read that an advertisement for a butler at \$4.50 per week brought 4,500 answers. What is the trouble? Why is she so unprosperous at a time when her German competitor has been forging ahead at a most rapid pace? The answer is the exhaustion of her available coal and iron. She must now go so deep into the bowels of the earth that the added expense of those two great products so necessary to her vast manufacturing purposes renders it impossible for her to produce at her old rates, and her markets have left her. Here is an answer to those who say: "Let each generation take care of itself."

Great Britain is in the condition where we will be the moment we have exhausted all of our supplies, our natural resources, and are depending entirely upon the foreign product. For my part, Mr. President, I want to prolong that day just as long as it is possible for me to do so.

Mr. President, prosperity makes us so optimistic that we take no cognizance whatever of our destructive tendencies. There is not a Senator here who can not remember the song—

Uncle Sam is rich enough  
To buy us all a farm.

We kept that old song ringing in our ears until Uncle Sam was compelled to pay millions upon millions of dollars to dig irrigating ditches to make farms for his land-hungry people.

I have heard this idea about our inexhaustible natural resources advanced ever since I can remember. It has been preached up to the very present time. Then it suddenly dawned upon us that all those resources could last but a few years. Those people who were interested directly in the particular resources were the first to discover that there was a shortage. While the old songs were floating through the atmosphere these men were working night and day to get hold of all the available coal and oil fields, all the iron fields, and all the great forests of the country. When too late, we find that our resources are about exhausted, and the little left is in the hands of the few. After we had denuded the old White Mountains of their forests, after we had destroyed the timber upon the Appalachians, after the farms were being washed away and destroyed and fires had made a desert over this section, we comprehended our extravagance. Then the Senator from New York [Mr. DEFEW] introduced a bill that will cost this Government not millions, but billions of dollars to reforest the Appalachian chain of mountains and to produce the old conditions.

A herd of hungry steers in a cornfield destroying twice as much as they consume but faintly illustrates the devastation of the timber resources of this country for the past forty years. And yet we are asked to continue the same policy unchecked until the last tree is felled.

This, Mr. President, ought to be a vivid picture to those people who say that there is no other duty the American people owe to future generations except making higher prices for the laborers engaged in the manufacture of lumber.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. McCUMBER. With pleasure.

Mr. GALLINGER. The Senator has figured out that unless we have free lumber our lumber supply is to disappear in twenty years.

Mr. McCUMBER. In thirty years.

Mr. GALLINGER. The Senator said it was disappearing at the rate of 5 per cent per year, and that would take twenty years. Can the Senator tell us how large the lumber supply of Canada is?

Mr. McCUMBER. I will before I get through. I have the figures here and I will give them.

Mr. GALLINGER. Is it correct that Canada has less than half as much lumber as the United States?

Mr. McCUMBER. I think it is 14 per cent upon the mountainous district of the West.

Mr. GALLINGER. If that is the supply we are to draw from, how many years is it going to extend the time when the United States will have lost its lumber product?

Again, if we have free lumber and we draw from Canada, how long is Canada going to let us have any of her lumber? She is going to protect herself. She is a wise country.

It seems to me that the Senator is not going to put the evil day away very many years by his free-lumber proposition, but is going to put out of employment, on the basis of 20 per cent reduction, 160,000 American workmen, and the capital they represent.

Mr. McCUMBER. Oh, Mr. President, we gave employment to the American laborers when lumber was 50 per cent cheaper than it is to-day, only about seven years ago. We will probably give reasonable employment to the laborers in the future. I am not for one moment supposing that if we have free lumber we are going to close up our mills. I am not supposing that we are going to close a single mill, but I do believe that we will retard, in the future, the growing rapidity of the destruction of our American forests.

Mr. GALLINGER. Mr. President, if the Senator will permit me, he has said that we will import 20 per cent from Canada. If that be so, it must put out of commission 20 per cent of the 800,000 men who are now working in the lumber industry. It seems to me that is a mathematical conclusion that the Senator's oratory can not get rid of. If that be so, then I do not see where the gain is to be.

Then as to the reduced price of lumber; if the Senator will take the statement of Mr. Charlton, a very eminent Canadian, he will see that Mr. Charlton says that they do not expect that there will be any reduction in the price of lumber. He says that they want free trade to get their product into the United States and get the American price for it. So our people will not get any benefit from that, but we will lose labor for one-fifth of the men who are now engaged in our lumber industry, and Canada, that has only 14 or 15 per cent as much timber as we have, will not allow us to take all her timber before she puts an embargo upon it.

I do not see how the Senator's scheme is going to greatly extend the time when the timber product of the United States is going to be destroyed.

I do not personally take any stock in either the twenty or thirty year period that the Senator fixes as a time when we are going to see the last tree felled in the United States. It is not going to happen, whether we have free lumber or not.

Mr. McCUMBER. I will tell you why it will not happen, if it does not happen. It will only be checked by such exorbitant prices for lumber as will compel the American people to have a substitute for lumber for building material and for the other purposes for which our lumber is to be used. That is the only thing in the world I can conceive of that will prevent the lumber prices from going to the skies, and the consequent exhaustion of our lumber districts as the prices go up. There is a limit beyond which we can not go even in the prices that we put upon lumber, and that is the limit of the ability of the people to purchase lumber.

Mr. President, since human civilization began, lumber has been used in the construction of homes. I have reason to believe that lumber will still continue to be the chief article, not only for furniture, but for vehicles, for transportation, and in the American home. I want that lumber to be just as cheap as



it can be, because I believe in the good home as an American civilizer. I believe in it, because I believe that the larger and the more elegant the home the better civilization, the higher American refinement, and I, for one, want to put off just as long as I can the time of compelling the American people to live in stalls.

Mr. PILES. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. I yield to the Senator.

Mr. PILES. I wish to ask the Senator if free lumber would reduce the price to the consumer?

Mr. McCUMBER. I have been answering that question over and over again.

Mr. PILES. I did not hear it.

Mr. McCUMBER. My belief is that with the exhaustion of the timber lands of this country the price of lumber is bound to go up, tariff or no tariff. Now, that is my answer, and I hope it will be remembered by the Senator.

Mr. PILES. Then I understand the Senator to say that the removal of this duty and the admission of the Canadian product into our country will not reduce the price to the consumer?

Mr. McCUMBER. I do not believe that lumber is going down materially at any future stage. I do believe that if we have free lumber we will check a too rapid rise of the product, and for that purpose it will be beneficial, because the exhaustion is going on in British Columbia, in Canada, almost as much in percentage to the amount of lumber that she has as it is going on in the United States.

Mr. President, nothing in the whole schedule of articles used by the American people has ascended the ladder of exorbitant prices so high and so rapidly as the price of lumber. There has been no other article, necessity or luxury, in the United States that has increased so rapidly in the last fifteen years as has the price of lumber; and when I speak of the price of lumber I mean the wholesale price and not the retail price. I will give a table along that line after a while. To-day it is out of proportion to practically every other article of necessity upon the market.

Here is a table showing the wholesale prices f. o. b., the mill prices, at Marinette, Wis. I am giving the prices now at the mill in 1892 and in 1907.

Mr. PILES. What is the character of the lumber?

Mr. McCUMBER. I will give the character of the lumber.

Mr. PILES. What is the year?

Mr. McCUMBER. I take the year 1892, the last year of Harrison's administration, and 1907, just before the panic. Fencing, 4-inch No. 1, in 1892, \$12. This was the price per 1,000 feet. In 1907, \$30.

Six-inch No. 1, 1892, \$15; 1907, \$32.

Common boards, 8-inch No. 1 stock, \$12.50 and \$30.

Flooring No. 1, \$16.50 and \$33.

Piece stuff, 2 by 4, \$11.50 and \$23.

Three by 12 of the same, \$11.50 and \$31.50.

I will make this table a part of my remarks.

The table referred to is as follows:

	1892.	1907.
Fencing:		
4-inch No. 1.....	\$12.00	\$30.00
6-inch No. 1.....	15.00	32.00
Common boards:		
8-inch No. 1.....	12.50	30.00
12-inch No. 1.....	14.00	37.00
Flooring:		
No. 1.....	16.50	33.00
Piece stuff:		
2 x 4.....	11.50	23.00
3 x 12.....	11.50	31.50

Mr. PILES. Where does the Senator get these figures?

Mr. McCUMBER. You will find them in the tariff hearings, page 3132.

Mr. PILES. I understand the Senator to take the two years 1892 and 1907.

Mr. McCUMBER. 1892 and 1907.

Mr. PILES. The Senator takes the year in which lumber was the highest throughout the United States.

Mr. McCUMBER. I will correct that statement. It was not the highest. It was higher in 1905 and 1906 on an average than in 1907.

Mr. PILES. It was not higher in 1905.

Mr. McCUMBER. Authorities differ. I take my statement from Mr. Wells, a Michigan lumberman, who says that the highest prices for lumber were in 1905 and 1906. He produced

it and sold it. I of course can not go into a controversy over that question with the Senator, because we must both rely upon the figures that are given.

Mr. PILES. May I ask the Senator further, does he think it fair to make an estimate of the increase in price of lumber from 1892 and jump the intervening years and come to 1907, when lumber had reached practically its highest figure? It has now dropped off from 30 to 40 per cent.

Mr. McCUMBER. Mr. President, I certainly would think 1908 a very improper year to include in an estimate, following the panic of 1907, with a great fall in price. I am leaving disagreeable periods out of the computation entirely. I can not imagine any worse condition than from 1893 to 1897. I am leaving that abnormal Democratic period out of consideration entirely, and I will leave this rather abnormal Republican period out of consideration, that of 1908. Upon the whole, however, there has been a gradual rise in the price all along from 1892, under normal conditions, to 1907, under equally normal conditions.

Mr. PILES. But, if the Senator will pardon me right there—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. I do.

Mr. PILES. The Senator has no table for any year that can embarrass me as to the wholesale price of lumber at the mill. I have a table here from one of the mills in the State of Washington, from 1895 down to 1909, covering a period of thirteen years, which shows the wholesale price to have been during that period \$9.38½ a thousand. It will not do to say that in 1892 the price of lumber was so much, and that in 1907 it had reached a certain price, for the Senator knows that the price of lumber in 1907 was abnormal, and it is possible that it never will go to that price again in the history of this country. The Senator knows as well as I do that the Valparaiso disaster, the San Francisco disaster, and the constant, abnormal demand for lumber throughout this country produced the unusual and unreasonable price at that particular time.

Mr. McCUMBER. Mr. President, earthquakes did not affect us during all of those years. The abnormal condition in the city of San Francisco did not affect us during all of 1905, 1906, and 1907, and I candidly believe that if we return to what I regard as a normal condition—the condition of 1907—we shall return to the normal price of lumber during that period; and especially am I justified in that assertion when I see the increasing cost of stumpage in the United States, which will probably keep on increasing for the next few years.

Mr. President, what valid reason is there for such an enormous increase in the price of lumber during that period? It bears no relation—that is what I want to show—

Mr. DIXON. Mr. President—

Mr. McCUMBER. I will yield to the Senator in a moment.

It bears no relation whatever to the cost of production during that same period, as I shall show hereafter. The only valid reason, therefore, must be in the rapidly diminishing stock of timber in the United States; and upon that assumption I base the argument as to future prices; and nearly every one of the lumbermen and the lumber journals that have discussed this subject claim the same ratio of increase in the future as the raw material is diminished.

The PRESIDING OFFICER. Does the Senator from North Dakota now yield to the Senator from Montana?

Mr. McCUMBER. Certainly.

Mr. DIXON. What I understand the Senator to say is, that the wholesale price, f. o. b. at the point of manufacture, was \$30 per thousand for common fencing lumber.

Mr. McCUMBER. That is as given here. I take this from the hearings. If the Senator will look on page 3132 of the House hearings—

Mr. DIXON. From what kind of trees was that \$30 per thousand common fencing obtained?

Mr. McCUMBER. I presume from the ordinary pine, such as we get from Marinette, Wis. I gave the name of the particular mill.

Mr. DIXON. Is the Senator sure that the price he is now giving was not for mahogany? I never heard of \$30 a thousand for common fencing lumber. I am sure the highest price ever obtained in my State was \$15 a thousand at the mill.

Mr. McCUMBER. The producer of lumber who gave this testimony in the House hearings may have falsified the facts. I am not prepared to say that he did so. I am taking the statement that is given by him. I will follow it by other statements directly from the American Lumberman, showing equal advances in prices.

Mr. DIXON. But the Senator from North Dakota will remember that no timber in Minnesota or Wisconsin sells for over \$15 a thousand on the stump. The logging and the milling do not cost over a dollar and a half or two dollars. I think surely there must be some misstatement in the figures which the Senator quoted, for you can buy flooring in Minneapolis, in the wholesale market, for \$30 a thousand, and you can buy the best hard maple flooring in Minneapolis for \$50 a thousand, dressed, tongued, and grooved.

Mr. McCUMBER. Yes. Now, Mr. President, I do not believe that the gentleman who gave this testimony and who, as I remember, was a lumber producer himself, gave a wrong statement, especially as he was asking for a tariff on lumber. I will follow that up with another table that is given in the tariff hearings. It is on page 3137 of the tariff hearings. The price of fencing in 1892—it does not give the month here—was \$12, in 1907 it was \$30, being an increase of 150 per cent. The price of common boards was then \$12.50, in 1907 it was \$30, being an increase of 140 per cent. The price of flooring was \$16.50 in 1892 and in 1907 it rose to \$33, an increase of 100 per cent. Piece stock—that is, two by fours, etc.—was increased from \$11.50 to \$23, or 100 per cent. Those prices are also given in the tariff hearings.

What other commodity in the whole United States which is used by the common people can show such an enormous or exorbitant rise during that period? I can not recall a single one, Mr. President.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. McCUMBER. I should like to finish this statement, but I will yield to the Senator from New Hampshire for a question.

Mr. GALLINGER. If the Senator will go to the last Yearbook of the Department of Agriculture, he will find that for the past five years there has been an increase of 41 per cent in wheat, 44 per cent in corn, 71 per cent in oats, 100 per cent on horses, 109 per cent on mules, 45 per cent on potatoes, and 45 per cent on cotton. I also find from a table that is before me that for the last five years there has been approximately an increase of 60 per cent on lumber, a much lower increase than has occurred in some of our agricultural products. I put the Yearbook of the Department of Agriculture against the tables that the Senator presents.

Mr. McCUMBER. The Senator will find that the increase in agricultural products possibly for the last few years has been quite considerable. He will also find, however, that taking a number of years, ten years or fifteen years, there is nothing upon the face of the earth that has increased at the same ratio as has lumber.

Mr. GALLINGER. My figures will go into the RECORD, Mr. President, and they will speak for themselves.

Mr. McCUMBER. My figures will go into the RECORD also, and they will speak for themselves. I am giving the record that was given in the House hearings.

Mr. PAGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Vermont?

Mr. McCUMBER. Certainly.

Mr. PAGE. I should like to ask the Senator from North Dakota if the conditions attaching to the testimony which he quotes are, in his opinion, those which obtain in other sections of the country?

Mr. McCUMBER. I do not know that I thoroughly understand the Senator's question.

Mr. PAGE. The Senator says that the proof in regard to the price of lumber in Wisconsin shows that it advanced from \$12 to \$30. I have been conversant with the price of lumber in New England for many years, and I know that the class of lumber which goes into fencing, the ordinary inch hemlock, has only advanced from about \$14 to \$19 at the mill. That is the extreme.

Mr. McCUMBER. Between what periods?

Mr. PAGE. Oh, in the last ten or fifteen years; I do not recall exactly.

Mr. McCUMBER. Let us take 1892. Then we shall have the same basis.

Mr. PAGE. There may have been some abnormal depression; but I am now speaking of the general trend of the prices of lumber.

I now recall another fact, and that is that it has been many years since spruce logs were sold by the farmer or the owner of stumpage at less than \$5 per thousand. The price this year, delivered at the mill, within a reasonable distance of the railroad, is from \$10 to \$13. The variation is more than formerly, because fifteen years ago the general quality of our

lumber was better. Now we have many wood lots that have been cut over, and we get a poorer quality. So the price varies from \$10 to \$13, whereas formerly it sold at a uniform price. But I do not know of any place in New England where the advance in lumber has been at all commensurate with that stated in the testimony which the Senator gives from this part of the country. I think there must be something peculiar about the nature or the quality of the lumber or in the surrounding conditions.

Mr. McCUMBER. Mr. President, the figures that I have so far given, I think, have all been taken from the House hearings upon the lumber schedule. I speak only from the figures that have been given in those hearings, or those that are taken from some other record; and I will give the record. I know that the retail price of lumber in my section of the country has advanced along the same proportions and lines that are given in these tables upon the wholesale price. So, while I am not prepared to speak as to any particular mill in the Senator's State, I am speaking of a particular mill in Wisconsin, and as to the other mills, I am reading from the testimony of the owners of those mills.

Mr. PAGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield further to the Senator from Vermont?

Mr. McCUMBER. I do.

Mr. PAGE. I confess that, so far as retail prices are concerned, I am a great deal in doubt since hearing the remarks made by the Senator yesterday. He said that the price at which lumber was retailed was 100 per cent, or double the cost of lumber at the mill, plus the freight. He must know that this country is made up of an aggregation of very bright business men, and I do not know but that I might resign my seat in the Senate and go into the lumber business if I thought that was the profit obtained in the West. There is something abnormal about that business. It is not natural; it is not legitimate. The ordinary profits of the lumber industry to-day, as I think I know so far as New England is concerned, are small. They are not what our friends of the West are inclined to say they are.

The reason that the price of lumber has advanced in my State is not because the manufacturer has been getting a larger profit, but because the owners of the stumpage—and many of them are farmers, I am pleased to say—have been able to get, by the natural increase which has come in almost everything, two or three dollars per thousand more.

Now, one thing more and I shall not interrupt the Senator further—

Mr. McCUMBER. I am always pleased to hear the Senator.

Mr. PAGE. We have been talking about conditions which attach to the workingman, and I think the Senator from North Dakota said that he did not think a lowering of the duty would change matters very much. We have built up in the northern part of Vermont, especially at Burlington, a large industry which employs hundreds of thousands of dollars of capital and thousands of men. To us the Canadian lumber is a raw material. We bring it to our northern ports, where it is made not only into dressed lumber to be reshipped, but it is made into screens and into box boards. Much of it goes into box boards, the lower grades especially. It goes into every conceivable article that can be made of boards. If the schedules were changed, as is designed and desired by our friend from North Dakota, that interest there would be paralyzed; at least, it seems to me so. They must have advantage by reason of bringing that lumber out or the same work can be done across the line in Canada, and the men who own the mills in Burlington must remove those mills to Canada and their employees must go with them or they must enter some other line of business. I hope, in view of the fact that Senators from the South have come here and been so kind as to say to us that they were protectionists as well as we, that the people of Vermont may not altogether feel that because North Dakota may have no iron, may have no oil, may have no coal, and may have no lumber she is going to insist that we have all got to accept those things as free, while she asks protection upon whatever she produces.

Mr. McCUMBER. Ah, Mr. President, let me ask the Senator, in all sincerity, is not New England asking that some articles be placed upon the free list? How about the dyes from Germany that you wish to come in free as against the product of the American dye producers in order that you may color your fabrics? There is not a protectionist representing any manufacturing section who is not overdesirous of getting everything upon the free list that is used in his factories in that section. And so those who represent other than manufacturing districts ask for their benefit that we place some articles upon the free list. And, where it is beneficial for the entire American people, I would stand with them to put those articles upon the free list,



because I think that we must take into consideration every condition and interest of the country in determining whether to put an article upon the free list or place it upon the protected list. We are giving you protection. You are producing your fabrics, and we protect them; we do not produce any, but we stand ready to say to you: "Year in and year out you shall have all the protection that is necessary for you to control the American market, and we will stand with you." So it is not a proposition of our asking that our articles be protected and that your articles shall not be protected, but it is a fundamental proposition of whether or not it is beneficial to the American people to deforest every hill upon the American Continent, and then tax the American people ten times over to reforest those hills.

There is something more than the mere question as to what will benefit us to-day in the matter of the tariff upon particular articles. I will give the Senator protection on everything that he produces again and again, but, as I have said more than once, I would not ask for protection upon a single article which, once destroyed, can only be reproduced in from half a century to a century of time.

Mr. PAGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Vermont?

Mr. McCUMBER. If the Senator wants to ask a question, I will yield to him; but it is nearly 4 o'clock, and I want to get through. I think I have been generous in allowing more than half of my time to be taken up by interruptions.

Mr. PAGE. I do not care to interrupt the Senator further if he wants to proceed.

Mr. McCUMBER. I do not want to be discourteous, and I hope the Senator does not think I am.

Mr. PAGE. No; I do not.

Mr. McCUMBER. I thank the Senator.

Mr. DIXON. I hope the Senator from North Dakota will yield to me for a question, because I have been astonished at the figures which he has quoted. I have sent and got a copy of the tariff hearings before the House committee on the prices of common fencing in 1907 in Wisconsin, and I want to ask one or two questions. I desire to ask the Senator whether there is not some great discrepancy in this matter? I find, on reference to the table from which the Senator is reading, that he is quoting the price of No. 1 fancy clear fencing, which is never used by anybody that I ever heard of in building ordinary fences. It is the stuff that flooring is made of. I find also, and I want to ask the Senator—

Mr. McCUMBER. Does the Senator not find that there was that much of an advance?

Mr. DIXON. I find that there was in that particular grade; but I want to ask the Senator from North Dakota if it is not a fair proposition to say that the man who submitted that table to the House Ways and Means Committee is the secretary of a big Canadian timber outfit in British Columbia, with a capital of \$6,000,000, owning a billion and a half feet of timber, which they want to get into the American market?

Mr. McCUMBER. Mr. President, I do not know a single man who appeared upon either side in connection with the tariff on lumber who came here for the benefit of the consumer. I do not care whether he represented one side or the other side; he was looking after his interests. As I read over the hearings, I do not find any man who testified who was not interested in the proposition. We have two classes of people—Americans who own lumber upon this side and want the highest price for that lumber, and those who own lumber on the Canadian side and want to get it here as cheaply as possible. Each of them will furnish figures so far as it is possible to establish his side of the proposition. I do not know that any of them furnished figures, however, that are incorrect. Assuming that each of these persons is interested, so long as their figures are correct, it does not seem to me that the question of interest cuts much figure.

Mr. DIXON. But, Mr. President, if the Senator will be patient with me for one moment, in quoting fencing timber at \$30 a thousand the Senator quotes No. 1 fancy clear fencing, a quality that has never been used for fencing purposes in the history of any agricultural community that I know of; and he based his statement upon the testimony before the Ways and Means Committee of this man Knappen, who is the secretary of a British Columbia lumber company, with \$6,000,000 capital and a billion feet of Canadian timber, which wants to get into the western market.

Mr. McCUMBER. Let us admit that that is true.

Mr. DIXON. Is there not a question in the Senator's own mind that this man has colored largely the statement as to the relative cost of lumber between 1892 and 1907? Coming from such a source, would it not be open to suspicion?

Mr. McCUMBER. Mr. President, when any witness gives the wholesale price f. o. b. at any particular lumber manufacturing point, I assume that he has given it honestly, and I will not assume that it is all imaginary. I can show from another standpoint that it is not imaginary. We have a great lumber trade journal known as the "American Lumberman," which believes in good protection to the lumber industry, and I will take a table from that particular journal.

Mr. PAGE. Mr. President, if the Senator from North Dakota will allow me for just a moment, I think I can harmonize the two ideas. I will take but a moment.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Vermont?

Mr. McCUMBER. Certainly.

Mr. PAGE. It is a fact, as perhaps the Senator may remember from his own experience, that in almost all the Northern States we were prodigal of our lumber and our stumpage a few years ago. We cut everything. I can in my own years remember when we went into and slashed forests, cut down the finest logs, and burned them to get them out of the way. We have exhausted the better quality of our stumpage, and to-day the price of a clear board, such as has been described here, it must be confessed, has been advanced abnormally. I think I may say that more than 85 per cent of the lumber of the northern part of New England to-day is not No. 1, is not clear, but is rather a cheap or lower grade of lumber, which has not made any such advance in price. Therefore it seems to me unfair to make the comparison with the grades which have gone to a very high figure, rather than with the grades which constitute the great bulk of the lumber used.

Mr. McCUMBER. Let me ask the Senator what would be a fair grade to take from his standpoint—No. 2 boards?

Mr. PAGE. No. 2 boards are what we produce.

Mr. McCUMBER. All right, Mr. President, we will take No. 2, or I will take No. 3, so as to be absolutely fair. I will ask that this table, which is printed and compiled by the American Lumberman, be also inserted in the RECORD. I quote a few of the figures. Four-inch No. 2 fencing, increased in price from \$9 in 1892 to \$26 in 1907, an increase of 188 per cent; during the same period 6-inch No. 2 increased from \$12 to \$29, or 141 per cent. I will take common boards. The price of 8-inch No. 2 advanced from \$11 to \$28 in that period, or 154 per cent. I will take 8-inch and 10-inch No. 3. They advanced from \$10 to \$25, or 150 per cent gain. I will take 12-inch No. 2, which advanced from \$12.50 to \$31, or 148 per cent gain. I will take fancy flooring, and, to show you that the higher grades of lumber have not increased in price anywhere near as much as common boards, I quote No. 1 fancy flooring, which advanced from \$16.50 to \$33, or only 100 per cent. C fancy flooring advanced from \$25 to \$47, or only 88 per cent, as compared with the enormous increases in the other grades. I might cite now a number of others, but I will have them inserted in my address.

The table referred to, compiled by the American Lumberman, is as follows:

	1892.	1907.	Percentage of increase.
Fencing:			
6-inch No. 1	\$15.00	\$32.00	113.33
4-inch No. 1	12.00	30.00	150.00
4-inch No. 2	9.00	26.00	188.88
4-inch No. 3	7.00	19.00	171.42
6-inch No. 2	12.00	29.00	141.66
6-inch No. 3	9.00	21.50	138.88
Common boards:			
8-inch No. 1	12.50	30.00	140.00
8-inch No. 2	11.00	28.00	154.54
8-inch No. 3	10.00	25.00	150.00
10-inch No. 1	12.50	31.50	152.00
10-inch No. 2	11.00	28.00	154.54
10-inch No. 3	10.00	25.00	150.00
12-inch No. 1	14.00	37.00	164.28
12-inch No. 2	12.50	31.00	148.00
12-inch No. 3	9.50	26.00	173.68
Flooring:			
No. 1 fancy	16.50	33.00	100.00
C fancy	25.00	47.00	88.00

Mr. McCUMBER. In commenting upon this great change in the price the American Lumberman says—and it follows out my argument:

As any commodity in common use and needed by the community becomes scarce the pressure of competition is felt and prices advance.

That is the statement following the table which they present. Why have these prices gone up? They have gone up because we are exhausting the timber supply of the country at a rapid rate.

Mr. DIXON rose.

Mr. McCUMBER. Now, Mr. President, I am going to ask that I be allowed to finish, and if I get through in reasonable time the Senator can make notes and I will try to answer any question that he may ask.

If the price of lumber has advanced to this extent in the last fifteen years, due to the exhaustion of the supply of timber in the United States, what may we reasonably expect in the next fifteen years with the exhaustion increasing from day to day in a ratio with the increase of population?

Here is another statement in a report from the Department of Commerce and Labor, which shows that from 1899 to 1906—a period of only 7 years and coming down closer to the present day—yellow-pine timber increased in price 77 per cent; Douglas fir 63 per cent, white pine 54 per cent, cedar 66 per cent, western pine 44 per cent, and tamarack 80 per cent. The report further declares that in some cases the price of lumber has increased 200 per cent.

Mr. PILES. Now, will the Senator yield to me for a moment?

Mr. McCUMBER. Mr. President, I can not yield any more just at present, because I probably will startle the Senator with figures right along that will keep him on his feet continuously if he objects to these, and much time would be taken in this address by those who take the opposing view.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. PILES. The Senator will not startle me at all if he will just take a fair average; but when he takes the finest timber in the world, Michigan white pine, for instance, and comments upon that, instead of taking the average common timber, I think it is hardly fair.

Mr. McCUMBER. I thought I was giving a fair average. It is the one given by the American Lumberman, which I have just read. If it is not a fair average, there are those here who can show that it is an error.

Mr. PILES. The Senator takes fancy lumber at fancy prices. The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. McCUMBER. If common pine boards, which increased in price 188 per cent, is "fancy," I do not know what the Senator would mean by the word "common." Now I will take Mr. Scanlon's statement. Mr. Scanlon is a lumberman in Minneapolis. He says:

For a number of years our concern produced from 200,000,000 to 250,000,000 feet annually in the State of Minnesota. This year our production will be only about 40 per cent of our former cut and will cease entirely in 1909.

In 1901, Mr. President, Minneapolis was the largest lumber-producing city in the world, her output for that year being about 700,000,000 feet, while the output for 1908 was only about 300,000,000 feet.

Now I want to take another late publication. I do not want to be wearisome upon this one single proposition, but I do desire to show that the exhaustion of our forests means enormously increased prices, and that is what is responsible for the exorbitant prices to-day. But a few persons, even regular buyers of lumber, fully realize how greatly lumber has increased in price in recent years. According to a lumber trade publication white pine has ascended in the wholesale list price all the way from 88 to 189 per cent in fifteen years. As the cost of labor and other items entering into the cost of production has not, at the outside, increased more than 25 per cent, this tremendous increase largely reflects the diminishing supply of white pine and represents the profits either for the manufacturer or the owner of the timber.

Mr. President, that diminishing supply is going to reflect the advance for every other grade that is used in the United States. During this time laths have increased from \$2.25 per thousand in 1901 to \$6 per thousand in 1907. The man, the farmer, the mechanic, who in 1892 could build a reasonably good house for \$3,000 would have to pay in 1907 at least double that sum, and probably he would have to pay \$8,000 for one of the same character. If he were to build a house which would have cost \$5,000 in 1900, he would have to pay at least \$7,500 to build it in 1907, and if we keep on at these enormous increases what is going to be the cost of our homes in the next few years?

As I have stated, there has been but slight change in the cost of production during this period as compared with the cost of the material to the consumer. I am convinced that there has been a combination, not only between the retailers of lumber, but that there is also a gentleman's understanding or combination between the great manufacturers of this country.

Mr. President, the cost of production, as I understand, has increased about 25 per cent during the last five or ten years.

I do not mean that the price of labor has not increased beyond that, but I mean the cost of producing lumber at the mill, including labor, irrespective of the cost of stumpage, has increased only about 25 per cent.

Suppose that in 1890 a mill could sell lumber at a profit at \$10 per thousand. The cost of production has added, we will say, \$2 per thousand to it. That would make the selling price, we will say, at a reasonable profit of \$12 per thousand. The mill could afford to sell at \$12 a thousand, with the increased cost of production, that which it sold in 1900 at \$10 a thousand. In other words, the lumber the mill man could sell in 1900 for \$10 he could sell with the increased cost of production at \$12 in 1907 and make the same profit. But how do the facts correspond with that? In fact, he is selling that lumber which he could sell at the same profit for \$12 a thousand, as high as \$18 and \$20 a thousand. If the effect of free lumber should be to reduce it \$2 a thousand—just the amount of the duty on lumber—he would still sell at \$16 or \$18 a thousand, and he would make three to four times as much as he made when he was selling it at a reasonable profit, on the basis of \$10 per thousand.

Ex-Governor Clough, of Minnesota, has been quoted here upon this subject by the Senator from Minnesota [Mr. NELSON]. I do not want to add to what he has said, but I do want to call attention to practically the same facts in possibly a more epitomized form. Mr. Clough declared in the case mentioned that the cost of producing at his mill in Washington was \$3.75 a thousand. That meant, of course, independent of the cost of the logs or the stumpage.

Mr. KERR. Has that price increased or decreased, or is that about the average?

Mr. CLOUGH. Well, we are trying to cheapen the cost a little every year, and we have, a little mite. There has been no material difference in the cost, but we are trying to cheapen it a little every year, regardless of the little increased cost of labor and material.

Mr. Clough then goes on to say that while lumber has gone up some, they have met this increase by improving the mill and increasing the cut. It may be added that as labor has advanced, the manufacturers have found new means to economize, such as the using of sawdust for their fuel, such as using the cheaper material for shingles and laths which at one time was destroyed or thrown away or sold for fuel only.

Now, I want to take another table, and that is by Mr. D. E. Skinner—I believe he is from San Francisco, president of the Park Blakley Mills Company, on Puget Sound—in a brief presented to the Committee on Ways and Means. He shows an increase in wages from 1896 to 1907, inclusive, and the increase since 1900. This increase averages 39 per cent.

Comparing the prices paid from 1900 to 1907 we have the following table, which I will ask to have inserted:

	1900.	1907.
Teamsters.....per month..	\$26.00	\$38.00
Swampers.....do.....	25.00	40.00
Choppers.....do.....	26.00	40.00
Loaders.....do.....	32.00	40.00
Sawyers.....do.....	26.00	35.00
Graders.....do.....	24.00	35.00
Chain men.....do.....	24.00	35.00
Blacksmiths.....do.....	55.00	65.00
Cooks.....do.....	55.00	70.00

Another table, giving the average for Minnesota, Wisconsin, and Michigan, shows a general increase in the cost of production of about 19 per cent.

Take the difference between these two, and call it, say, 25 or 30 per cent, and while therefore the average cost of production has increased, we will say, 25 to 30 per cent, the cost at the mills has increased from 50 to nearly 200 per cent.

I know of no business in the whole United States that has produced more millionaires and multimillionaires, with a given amount of investment, than the lumber business of the United States. The enormous palaces, the mansions that are shown to me in the cities of Minneapolis, St. Paul, Detroit, Mich., in Madison, Wis., in Milwaukee, in Chicago, in all the sections bordering upon the lumber States, in California and in Oregon and in Washington, are all pointed to with pride as the residences of some great lumber baron in that State, and while they are pointing with this spirit of exultation to what has been accomplished by these people in their States, they are coming here and crying that the business is on a starvation basis.

Mr. President, these mansions to which they point with such pride when they are showing us the wonders of their country, ill comport with the plea of poverty that they are giving to the American people. I believe there is no industry in the United States which has produced as much wealth, as I say, for a given



amount of investment as the lumber industry of the United States; and I do not see that it has been growing less profitable in the slightest degree.

It is conceded that there are only two or three points in the United States where the Canadian lumber comes in competition with the American lumber; a little of the unfinished lumber on the west coast; a little on the Lakes; possibly some portions across the St. John's River. They can not put the finished material into this country in competition with the American mills wherever they have to ship any considerable distance by rail. They can put the raw material, the unfinished product, in competition with some sections of the country, but while they are competing with some lines here at these few places we are competing with them by putting our products into Manitoba, into the Saskatchewan country, and along the border line for a thousand miles.

We hear complaints from the Canadian manufacturers that the Americans are dumping their lumber upon the Canadian market cheaper than they are selling at home. I do not know to what extent that is carried on, but I know there is a strong complaint on the part of lumber dealers in Canada against the importation of American products.

I believe that the closing of these mills is more a matter of anticipation than anything else. In all of my life I have never known of a mill closing its doors until the lumber in the immediate vicinity was exhausted, except during that disagreeable period which I have mentioned, and to which I do not like to allude too often—from 1892 to 1897. As a rule they make money, and wherever they have not made it, it is because there has been a neglect of the business. I have been almost compelled to believe that where there is capital enough back of it it is sufficiently profitable so that it will run itself.

Mr. President, I have no reason to believe that Mr. Clough, the ex-governor of Minnesota, could manufacture so very much cheaper than the other manufacturers in the States of Washington and Oregon. I have visited some of those great mills, and they have always prided themselves upon their wonderful output and what they can do, and they have told me over and over again of their enormous profits since they have been engaged in business, and it is only this year, when a tariff revision is on, that I find that they have been losing all of these years.

Mr. Clough says they started with \$100,000 of actual money invested in the enterprise. That was in 1900. He states further:

In 1901 our profits were \$29,267, which was 29 per cent and a little over on our investment.

In 1902 our profits were \$96,759, or 96 per cent and a little more on our investment.

In 1903 our profits were \$55,721, or 55 per cent and a little over on our investment.

In 1904 I am ashamed to tell that, as that was a bad year. In that year we made a loss of \$3,358.

I do not know what was the cause of that loss. I have an idea though from reading over the balance of the testimony that they were not selling much of their output for that year, and had piled it up in the yard, and therefore did not count the value until they had it sold, and then put that enormous profit into the last year of which he speaks.

In 1905 our profits were \$72,186, or 72 per cent on our investment.

In 1906 our profits were \$19,306, or 19 per cent on our investment.

I know there was considerable quibbling here as to whether this was intended to be \$193,000 or \$19,000. As I read it there was a mistake in the punctuation, a mistake in the placing of the comma. But I think it was clearly intended to be \$19,000, or 19 per cent.

That which is more startling, however—

Mr. PILES. The Senator is wrong.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. For a question.

Mr. PILES. Do you claim there was \$19,000 profit in 1906?

Mr. McCUMBER. Nineteen thousand dollars.

Mr. PILES. It was \$193,000. I had it looked up. That is what my secretary tells me he found at the Interstate Commerce Commission's office.

Mr. McCUMBER. I will show they made more than \$193,000. Whatever the error is about the figures, the copy I have shows \$19,000.

Mr. WARREN. Mr. President—

Mr. McCUMBER. I do not want to quibble any more about the error, as to where the comma should go, because it is immaterial, and it was discussed for so long a time yesterday that it seems to me needless to take up further time with it.

Mr. WARREN. It is probably an error, but the print which the Senator from Minnesota had was \$193.06 plainly, as I think the Senator knows.

Mr. McCUMBER. Yes; but the Senator will see that in all of the preceding figures he does not mention cents at all, and it is evident that was not intended; that it is an error due to the misplacing of the comma.

Let us take 1907. The profits for that year were more than 200 per cent, according to his own statement. Let us see.

In 1907 we do not know just exactly what they will be. We have not figured up what they will be. We do not figure up until the 1st of January. But I do know that I have sent this year to our stockholders, which I am authorized to do whenever we have any surplus money—to send it to our stockholders pro rata according to our stock—I have this year already distributed among stockholders \$130,000.

That is on a hundred thousand capital stock, which has already been paid for.

We certainly have made that \$130,000, or I could not have distributed it among the stockholders. We haven't borrowed any money. We do not owe a cent of money, and the best of it is we put in \$20,000 this year in permanent improvements, and they have been paid for.

A hundred and thirty thousand dollars and \$20,000 amount to \$150,000, but that is not all.

Another thing that pleases me is that on January 1, 1907, we had piled in the yard about 6,600,000 feet of lumber. We were closed down for a little repairing about three weeks ago. So we took account of stock, and we had in the yard about 13,600,000 feet, and that after the distribution among our stockholders of \$130,000. That is about all there is to our profits.

It is not all there is when you come to follow it down. Thirteen million feet of lumber means thirteen thousand thousand feet, does it not? And thirteen thousand thousand feet, at \$10 per thousand feet, means another \$130,000, does it not? And say it is about \$10 a thousand. There you have \$260,000, and you have \$20,000 on top of it. That may account for some of the profits they failed to make in 1904.

Mr. PILES. Will the Senator pardon me right here? That is in line with his argument from the beginning to the end. He says so many thousand feet in the yard, worth on the average \$10 a thousand, and he gives it all as profit.

Mr. McCUMBER. He says he owes nothing, that he has paid for everything, that he has that much left. Then it is profit, is it not? Of course it is all profit. He just now said he did not owe a cent, and I assume therefore he has paid for that lumber, and I am taking the average price of about \$10 per thousand.

I want to come now to the shingle business, as my friend the Senator from Washington seems more tender upon the shingle proposition than upon any other. Mr. Clough says upon this that his associates—

wanted to know how much money I thought there was in the shingle business, and I told them that I thought we could get 50 per cent on the money we invested, and if the rate was increased it would make a difference of 16 cents a thousand.

I suppose he means not the tariff, but the rate of transportation.

There would be that much less in our profits, that is all, and we had better build a shingle mill.

So we went on and built a shingle mill and that mill had a capacity of 600,000 a day. That is not the Clark-Nickerson Company; that is the Clough-Hartley Company, located half a mile away from the Clark-Nickerson Company. We built a mill and we ran it a little over two months, and while we ran it we made a profit of about 100 per cent on our capital; but of course we could not always do that. Shingles were very high this fall, as you all know—very high.

I am told there is more real profit in the shingle business than in anything else in the lumber line. I admit I have not technical knowledge along that subject, and I can only take as the basis of my statement statements that are made to me by practical lumbermen and manufacturers of lumber. I may be in error—

Mr. PILES. Mr. President—

Mr. McCUMBER. I may be in error, but I do not care to discuss it.

Mr. PILES. The Senator says he thinks there is more profit in shingles than in any other line of lumbering. I want to ask him if that is true why it is that 14,000 men who are engaged in that work in my State have appealed to Congress, stating that they are idle three to six months in the year; that they are losing a million dollars a year on account of Canadian competition, and that Chinese labor and Japanese labor and Hindoo labor are driving the white man out of the shingle mills in the State of Washington? Those men are not timber barons. Why are those 14,000 of the toiling masses coming before Congress and telling them they are losing a million dollars a year and that they are out of work three to five months in the year if a profit of \$10,000 can be made in two months?

Mr. McCUMBER. We have gone over an exceedingly dull period that followed more or less of a financial crash.

Mr. PILES. This is not one year, but ten years.

Mr. McCUMBER. My own belief is that as soon as we return to normal conditions we will find about the same profit being made in the shingle business.

The same people who are making the 150 per cent are also declaring that they are not making enough, that they have closed their mills, and that they must be protected against this Canadian cheap labor. I will discuss the Canadian cheap labor when I reach it and compare it with some other labor. But these people say if we lower the tariff, the shingle industry, which made 600 per cent, or at the rate of 600 per cent a year, will be absolutely destroyed. As I stated before, these people who are representing the shingle industry in the State of Washington got together but a very short time ago and they solemnly resolved that if we took the tariff off shingles they would be compelled to make better shingles. When they make better shingles I think they will gain the very market which the Canadians are taking away, because the Canadians are taking away the market on the higher-priced shingles.

Mr. PILES. Mr. President—

Mr. McCUMBER. It is nearly 5 o'clock.

Mr. PILES. I will not interrupt you any more.

Mr. McCUMBER. Very well.

Mr. PILES. You are refuting your own argument. You are here advocating the removal of the duty on shingles, and you are in favor of the conservation of our forests. Those men are going around gathering up stumps and broken limbs and thus conserving the forests and saving them from fire. Do you want to stop them from doing that?

Mr. McCUMBER. Let us see the logic of that argument. The Senator says that these men—meaning those in Washington—are going around and gathering the stumps and the dead limbs and making shingles out of them. Anyone who has gone into a forest knows something about the quality of the stumps and these dead limbs that are converted into shingles. When they propose to sell rotten shingles to the American people they will probably find that the Canadian shingle will compete with them, but when they make the shingles out of good material I do not think there will be exactly the same competition. I have heard a great many complaints from the consumer about the character of those shingles. I will have to admit that if you can get the people to take rotten limbs and stumps for shingles and use them, it will conserve the American forests, at least until the shingles have rotted on the roofs instead of rotting in the forests.

Mr. PILES. They are not made of rotten timber, if the Senator will pardon me. It is just as good timber as there is on earth, except fire has gone through the forest and scorched it, and it is not fit, therefore, to be put on the market in other shapes. But these men save it—

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. McCUMBER. I yield for a question.

Mr. NELSON. I want to say, as to the shingles we get from the west coast, that there is a great difference in the kinds. We have one kind of shingle that is made of what is called "dead timber," and then another that is made from live timber. There is no fault to find with the latter, but when they send us the other kind of shingle, they must not expect the same price that they get for a good shingle.

Mr. PILES. Let me explain to the Senator—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. I will yield for a short colloquy.

Mr. PILES. We do not have any dead shingles. When we manufacture our shingles, we give you two grades. British Columbia gives you but one grade, and that is made of clear cedar lumber. In British Columbia they pay so much a cord for the clear timber, and leave the common part of the tree in the forest, and it is wasted. But it is the Government's waste and not his. The Canadian therefore makes but one grade of shingle. We make two grades, one called the "clear," and then the "A-star," which we sell at a lower price.

Mr. NELSON. What you expect is that we will buy the dead shingle and pay you the same price that we do for the live shingle from British Columbia.

Mr. PILES. I beg pardon. We give you two grades of shingles. One sells for less money than the clear shingle.

Mr. McCUMBER. I think the resolution of those shingle makers in the State of Washington answers the proposition, because they say in their own declaration that if we take off this tariff they will be compelled to make good shingles. That is their only answer to the proposition.

Mr. President, in addition to these enormous profits from the manufacture of lumber alone, we must also take into account the profits of the great lumber interest in the stumpage. In a brief prepared by Mr. Knappen for the Ways and Means Committee, this same man, who is the secretary of the Canadian

lumber interests and wants to get Canadian lumber into the United States just as cheaply as he can, makes a statement which I will ask the Secretary to read.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

We may say that the 50 millionaires of the Weyerhaeuser group owe their fortunes rather to the acquirement and holding of stumpage than to the profit arising from the manufacture of lumber. To illustrate the enormous profits that are thus possible it is worth while to call attention to the fact that the Weyerhaeusers some eight years ago purchased from the Northern Pacific Railroad vast tracts of timber on the Pacific coast at a price fixed by rumor at about 15 cents per thousand feet, and to-day this same timber is held by the owners at not less than \$3 per thousand. Here is a profit of 2,000 per cent, and yet these interests will probably think themselves aggrieved if the tariff is removed from forest products.

A well-known western lumberman has in recent years acquired 650,000 acres of sugar and yellow pine in northern California estimated to carry 15,000,000,000 feet of timber. Most of this timber can be manufactured within ten years at a profit of \$10 per thousand, and some of it can be manufactured at that profit now. The timber and the land on which it stands has been acquired at a cost probably not exceeding \$4,000,000, and the property is now, or soon will be, worth \$150,000,000. This gentleman is opposed to the repeal of the tariff on forest products and identifying his individual interests with those of the forests, he opposes the repeal of the tariff in order to protect the forests.

Mr. McCUMBER. Mr. President, how were these forests obtained? Most of them, I will assume, were obtained in a wholly legitimate manner. I am equally satisfied, however, that a large percentage of them were obtained in defiance of the land laws of the United States. I can remember, but a few years ago, when nearly every train going through my State had more or less emigrants upon it going to the lumber districts of Washington and Oregon to take up homesteads. It was freely talked among them that somebody would furnish them a living and pay them six or seven hundred dollars per quarter section and their expenses during the time they had to live upon the land. A great number of proofs were made in this way, and the land was immediately sold to these great lumber interests. I have had, when I was practicing law, a great many people come to me and call my attention to what other people were making, and asking me if they could not go out there and make a few hundred dollars that way by remaining a few months upon a piece of land. None of them ever went through my advice, but I believe that that was carried on for a few years to a great extent, and these lumber interests reaped the benefit of that method of acquiring titles from government lands.

Mr. President, here is another statement that is made concerning the increase in the value of stumpage not only by Mr. Knappen, but by Mr. M. J. Scanlon, a well-known lumberman of Minneapolis, as it is published in the American Lumberman in November, 1907. I will ask the Secretary to read the portion that is marked.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

The increase in the value of stumpage in the Western and Southern States has been even more marked. In 1898 my people purchased a block of timber in Oregon at a cost of about 17½ cents per thousand. To-day a conservative estimate of the value of that timber would be \$1.75 per thousand. For years billions of feet of timber of equally as good quality and as favorably located for logging purposes in that same district could have been acquired at the same price as we paid for ours. In 1890 I was interested in the purchase of a large tract of cypress timber in Louisiana that cost us less than 40 cents per thousand. Unfortunately for me, I parted with my interests in that timber before it became very valuable, but I am informed by cypress manufacturers in that territory that cypress timber of that quality and accessibility would sell readily at \$6 per thousand or upward. In 1892 I looked at a tract of longleaf yellow pine timber in Louisiana that could be acquired at that time for about \$1.25 per acre. My people purchased that same identical tract of timber in 1905 at a cost of \$22 per acre.

Mr. Thomas H. Shevlin, a well-known lumberman of Minneapolis, stated in the American Lumberman in November, 1907, that—

the lumbermen had made money so fast in the last few years that their heads had been turned. Manufacturing profits of 100 per cent were not uncommon. Added to these profits in the case of those manufacturers who own timber were the enormous profits arising from the increase in value of timber in the period between 1896 and 1907.

Mr. McCUMBER. Mr. President, it is evident, therefore, that a reduction of an average, say, of \$2.50 per thousand on Canadian lumber and a consequent reduction of that amount upon the selling price of the American lumber would measure less than one-half of 1 per cent of their enormous profits in both the manufacturing and in the increased value of their stumpage.

I wish now, Mr. President, to consider for a moment the conservation of our forests. I want to consider, first, the disastrous effects of the denudation of our forests upon our farm lands, our factories, our navigation, and our climate. Those matters have been vividly brought to our attention within the past few years,



and enormous sums of money have been expended to make good as far as possible the destruction of those forests.

The forests of the world were made by nature and not by man, and, in my humble judgment, the law which governed in the creation must also govern in the re-creation. Our little efforts, though taxed to their utmost to create what we are destroying, can never accomplish very much. The only way on earth to keep our forests growing is to use no more than that which has really attained its growth and protect the balance against the ravages of fire and the still more fierce and persistent ravages of the lumber barons and the lumber interests.

So intense is our natural inclination to meet what we assume to be our present needs and to add to our wealth that all the lessons of history of every country in the world seem to be of no avail whatever. Great portions of Africa, once wooded, are now desert wastes. The same thing is happening in China and in India to-day. As the forests are denuded, the floods are let loose, the earth is denuded of its soil, and waste—eternal waste—is the penalty of that denudation.

Coming nearer home, the destruction of the timber lands of the Adirondacks, the White Mountains, and the Appalachians has carried with it the destruction of millions of acres of what otherwise might be rich farming lands in the country. The Kansas River floods of 1903 destroyed \$20,000,000 worth of property and a hundred lives. One of the most fertile valleys of the continent, a hundred and twenty miles long, was partly destroyed. Out of 250,000 acres of wonderfully fertile soil 10,000 were completely destroyed, and 10,000 more lost 50 per cent of their value, and the uncertainty depreciated the value of the whole.

Mr. President, I wish to insert here an extract from an address by Mr. Frank Vrooman, a magazine writer. I will not stop to read it because I do not want to take the time. It is along the same line.

The matter referred to is as follows:

The forests have a direct and tremendous influence upon agriculture. The forests are nature's reservoirs. Wherever they have been cut away disastrous floods have followed as annual visitations. The exhaustion of the forests in New England seriously threaten the streams which have furnished the motor power for thousands of industries upon which the prosperity of that section depends. It is estimated that the New England States in 1900 had a total capital invested of \$1,409,000,000, and a yearly output of product worth \$1,690,000,000, and that 75 per cent of these industries is dependent upon a continued water supply, and now, remembering that the water supply is in turn dependent upon conserved forests, we can begin to understand the importance of conservation.

Mr. McCUMBER. I want to call attention to another fact. Professor Shaler states that in 1896 3,000 square miles of highland south of Pennsylvania had been destroyed for human use and its soil carried down to the lowlands and the sea, and that arable and forestable lands were then being lost at the rate of 100 square miles a year. Where the lands have not been entirely destroyed they have been more subject to droughts which have destroyed crops year after year.

Mr. President, we must use 40,000,000,000 feet of lumber in this country with the present population, and every year we must add to that as our population increases. Every foot of lumber brought from Canada into this country means a foot of lumber saved from a tree in the forests of the American Continent.

I call attention to the statement made by Mr. J. W. Wells, one of the important lumbermen of Michigan. Speaking on this subject, he says:

Free lumber will help by preventing exorbitant prices which induces cutting up of small trees. There never was so much deforestation as was practiced during the high prices of 1906 and 1907. Millions of young pine, spruce, jack pine, etc., were cut for lumber and lath that at normal prices would be left to grow to fair size.

Now, what is the amount of consumption in the United States and the amount of timber and how long will it last?

Mr. President, while authorities may differ as to the amount of timber in the United States, they all agree that its life at the present rate of consumption will be extremely short. No one claims the forever-and-ever idea can be any longer applied to the American forests. They all agree that within the life of people now living, at the present rate of consumption, not a tree will be left standing upon the American Continent, and yet in the face of this danger we seek to encourage the devastation, thereby not only wronging the present by exorbitant prices, but robbing the future of its birthright of forests.

Mr. Kellogg, chief of the office of wood utilization in the United States Department of Agriculture, states that our present consumption of wood in all forms is equivalent to 100,000,000,000 board feet annually; it has been estimated as high as 150,000,000,000 board feet, and this without taking into account the destruction of timber by fire. The total consumption of timber for lumber alone in 1907 was 40,256,154,000 feet. The estimate

of the present forest area of the United States is from 500,000,000 to 700,000,000 acres. The supply of standing timber, roughly estimated from 1,400,000,000,000 to 2,000,000,000,000 feet, with 100,000,000,000 feet consumption, would last fourteen years, assuming there was no growth. Assuming the same use and stand, with an annual growth of 40,000,000,000 feet, we would have a supply for twenty-three years. Assuming an annual use of 150,000,000,000 feet, it would last but nine years. Assuming a stand of 2,000,000,000,000 feet, the use of 100,000,000,000 feet would exhaust the supply in twenty years. Assuming the same stand with an annual growth of 40,000,000,000 feet, we have thirty-three years' supply.

Even supposing that we should do something in the line of reforestation, it possibly would not make any appreciable inroad as against this enormous devastation of the country.

The advocates of a high tariff have sprung another theory upon the American public. They say that if you have a low tariff it means a low price for lumber; that if you have a low price for lumber it means that you will consume only the more valuable part of the trunk of the tree and the rest will go to waste, and therefore it will take more trees for a given amount of production than it would if we had the higher priced lumber. That hardly accords with the statement of Mr. Wells, that the greatest waste in this country was during 1905 and 1906, the time of the highest price of our lumber.

The gentlemen who speak from that standpoint, Mr. President, also forget another equally great truth. The higher the price of lumber the more value in cutting the sapling. As was stated by the Senator from Minnesota [Mr. NELSON] in his address yesterday, when the lumber price goes up then you can cut the small tree that has only reached a few years' growth, and which ought to grow from ten to fifteen or twenty years before it is converted into lumber. As was suggested by the Senator from Minnesota [Mr. CLAPP], in his State, after going over the timber the first year and denuding a great portion of the forest, they are now going over it the second time and taking the saplings, anything big enough to make a lath, and converting that into lumber.

So, Mr. President, whatever we would lose under this theory by not converting the top of a tree into lumber we would also lose as against the future, the number of small trees that would be cut instead of allowing them to run. Then the Senator must not forget, as is the case especially with our spruce in the East, that all of these tops are used, that they go to the mills and are converted into wood pulp. So there will be no waste along that line.

Mr. President, we can not escape the proposition that if we need in this country next year only 40,000,000,000 feet of lumber, and Canada can furnish 8,000,000,000, or one-fifth of that lumber, necessarily there would be 20 per cent less cut; and if there would be 20 per cent less cut, the forests of this country would last just exactly so much longer.

Mr. HEYBURN. How much longer?

Mr. McCUMBER. I say it would last in proportion to the horizontal scale of the price. If you run the prices up and there is a demand at those prices, of course you will rapidly increase the consumption. If the prices remain down, you will not increase to the same extent.

Now, Mr. President, I want to consider the cost and the selling price. As I have stated before, the Weyerhaeuser interest purchased lands of the Northern Pacific at 15 cents per thousand a very few years ago, and to-day those same lumber districts are worth about \$3 per thousand, or an increase of some 2,000 per cent. What prices they paid to the hundreds of people who took these lands and then sold them I am not prepared to say. Probably they did not cost them a great deal more than they paid for the Northern Pacific lands.

There are a few manufacturers who do not own their own timber and they are, of course, asking for cheaper logs. They do not want any tariff. They, perhaps, are just as much interested as the other class are. The one wants a high protective tariff until he can get rid of his American product, and then he wants a low protective tariff when he has devastated our country and wants to get in what he owns upon the Canadian side.

Now, I want to consider a little the cost of production. I am going to hurry along so as to close in a very few minutes.

The lumber companies who are seeking a tariff on lumber are not seeking it, I repeat, for the purpose of protection. No protection on earth is needed. There can be but one purpose, and that is to secure exorbitant prices through combinations as long as the supply lasts in this country. As a matter of fact, the cost of producing lumber is just as great and even greater in some sections in Canada than it is in the United States.

Mr. F. B. Lynch, a lumberman of St. Paul, Minn., and owner of two of the largest mills in western Canada, the Red Deer Lumber Company at Barrows, Saskatchewan, in the spruce district, and the Elk Lumber Company at Fernie, British Columbia, in the mountain district. Each of his mills has a capacity of 35,000,000 feet per annum. The mills themselves, with improvements, cost \$400,000. He states that mills on this side of the line of equal capacity and character will cost only \$250,000, the difference being in the higher-priced machinery and the higher freight rates on the Canadian side.

That is a pretty wide spread. He accounts for it upon the matter of transportation, 30 per cent higher, and also for the material on account of the Canadian tariff.

The following table will show comparative wages paid per day to certain kinds of employees in sawmills in Ontario, Saskatchewan, British Columbia, averaged, as compared with wages in Oregon, Washington, and Minnesota, averaged. I will call attention to only a few of the items and then have it printed:

	Canada.	United States.
Foreman.....	\$143.33	\$127.50
Band sawyer.....	6.19	5.20
Filler.....	7.35	6.83
Engineers (chief).....	4.25	3.79
Graders.....	2.99	2.44
Firemen.....	2.54	2.78
Millwright.....	3.99	3.56
Setter.....	3.38	3.12
Edgerman.....	3.62	2.20
Trimmer.....	2.54	2.48
Common laborers (white).....	2.30	2.05

Here is another table from the International Timber Company, British Columbia, comparing this company with the Simpson Logging Company, Shelton, Wash.:

	International Timber Company, Campbell River, British Columbia.	Simpson Logging Company, Shelton, Wash.
Fireman.....per day..	\$2.50	\$2.00
Flunkie.....per month..	35.00	30.00
Hook tender.....per day..	4.00	3.75
Line horse man.....do..	2.50	2.25
Rigging slinger.....do..	3.00	2.75
Signal man.....do..	2.50	2.25
Skidder, head.....do..	3.00	3.25
Skid road man.....do..	2.25	2.00
Sniper.....do..	2.75	2.50
Swamper.....do..	2.50 to 2.75	2.25
Undercutter.....do..	3.50	3.00
Wood cutter, behind donkey.....do..		2.00

Mr. PILES. Where is the Canadian mill located?

Mr. McCUMBER. It is in the Campbell River Valley, British Columbia.

Mr. PILES. Back in the interior of the country.

Mr. McCUMBER. Yes, back in the interior; and certainly some of the prices that are made in the Washington districts are made at mills back in the interior of Washington.

Mr. PILES. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. I wish to finish as quickly as possible.

Mr. PILES. I merely wanted to put this statement in, if the Senator from North Dakota will permit me:

The Senator is talking about mills in British Columbia that are back in the interior of the country, where they do not allow Chinamen or Japanese to work; but I defy him to give me the name of a mill on the coast of British Columbia, and compare it with a mill on the coast of Washington or Oregon, and say that we are not paying from \$2 to \$2.50 a day for common labor where they pay from 80 cents to \$1.25.

Mr. McCUMBER. Mr. President, I want to be perfectly fair with the Senator. I was going to give him another table where the prices showed higher upon the American side. I will follow this with another table, giving the actual cost in 1908 of lumber on the Inland Empire district, of Spokane. That is in the interior, and the mountain mills of British Columbia are in the interior. The table shows that a price considerably higher is paid for the same character of lumber on the American side; that is, not the price of labor, but the price of the lumber itself. I will have the table printed in my remarks.

The table referred to is as follows:

Western pine, fir, and larch—Comparison of base prices, 1908.

Sizes.	Inland Empire, Spokane.	Mountain Mills, British Columbia.
2 x 4 to 2 x 8—12 to 16 feet.....	\$15.50	\$15.25
2 x 10—12 to 16 feet.....	15.50	15.75
2 x 12—12 to 16 feet.....	17.50	15.75
3 x 6 to 3 x 10—12 to 16 feet.....	18.50	15.25
4 x 4 to 8 x 8—12 to 16 feet.....	18.50	15.25
3 x 12—12 to 16 feet.....	20.50	15.25
No. 3 common boards.....	18.00	(Mt. Com.) 14.00
No. 2 common ship lugs.....	20.00	(Mt. Com.) 15.50
"C" and better white pine.....	38.00	(Mt. 1) 25.00
No. 1 lath.....	3.55	3.25

Mr. McCUMBER. This table does not mean that the cost of American lumber was any more, but higher prices were charged upon the American side. The preponderance of evidence given before the Ways and Means Committee is that the cost of manufacturing lumber in Canada is, on the whole, higher than it is in the United States when you take into consideration the cost of the mill. That is not limited to the mountain districts, but applies even to districts bordering upon the Lakes. Mr. J. W. Wells, a Michigan lumberman, who has interests on both sides of the line states as follows:

Logging in Ontario is at least \$2 per thousand more than in Wisconsin and Michigan, caused mostly by the roughness of the ground, labor and supplies also being somewhat higher.

This is a man, as I have said, who has mills on both sides of the line.

Mr. PILES. Who is that?

Mr. McCUMBER. That is Mr. Wells. He also states:

The cost of sawing at our Georgian Bay mills is at least 20 per cent more than in our Michigan and Wisconsin mills, caused mostly by higher wages paid mill men and higher tariff on mill supplies and machinery. We pay a duty of 30 per cent on machinery and supplies, and the Canadian manufacturers take the value out of it by adding the duty to the cost price.

A large number of witnesses, either orally or by letter or by brief, testify that the general cost of commodities entering into the erection and equipment of a sawmill on the Canadian side, with its outfit, is considerably more than upon the American side.

Now, I want to take a statement of Mr. D. N. Winton, a stockholder in two mills, one on the American side, in Minnesota, and one in Saskatchewan. He makes a statement in regard to the cost of manufacturing lumber at his mills at Thief River Falls, Minn., and at Prince Albert, in Saskatchewan. At the Minnesota mill it is \$3.41 per thousand, and at the Canadian mill it is \$4.18 per thousand.

These figures, of course you will understand, are for the actual cost of manufacturing, and do not include the cost of logs, which are somewhat cheaper on the Canadian side. They must be admitted to be cheaper.

Here is another statement upon the comparative cost, including the cost of logs in Washington and in Enderby, British Columbia, and all the expense of manufacturing and administration of an American mill and a Canadian mill. In the American mill in 1908 it was \$10.79 per thousand, and in the Canadian mill in 1907 it was \$13.71, and in 1908 it was \$12.59.

Mr. PILES. Where was the Canadian mill located?

Mr. McCUMBER. I can not say just where it was located.

Mr. PILES. It must have been in the mountains.

Mr. McCUMBER. As a rule, it must be said that logs are a trifle higher on the American side at Puget Sound, although I am informed that at the present time they are a trifle higher on the opposite side. If my information is incorrect, of course the Senator, who lives there, can correct the statement.

Mr. PILES. If the Senator wants any information, I will be glad to give it to him now.

Mr. McCUMBER. I understand the Senator does not agree with that statement.

Mr. PILES. I say there never has been a day in the history of Washington and British Columbia when logs were not at least a dollar a thousand cheaper in British Columbia than they were in the State of Washington.

Mr. McCUMBER. The information which I had yesterday was to the contrary.

Mr. PILES. I have lived there for twenty-six years, Mr. President, and I know something of this thing.

Mr. McCUMBER. I have stated it generally; but just at the immediate time—which means that it was a very short time ago—it was a trifle higher on the other side.



I want to call attention to Mr. Rogers's testimony. He is also one of the greatest lumbermen, and he is interested on both sides of the line.

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. McCUMBER. Yes.

Mr. NELSON. I want to call the Senator's attention to the fact that logs can be imported free of duty from British Columbia into the State of Washington.

Mr. PILES. Certainly they can be so imported.

Mr. McCUMBER. Certainly. Mr. Rogers, in his testimony before the House Committee Hearings, Schedule D, page 2869, says:

We have purchased a large quantity of lumber in the United States and shipped it into Canada because we could buy that lumber in the United States for a less price per thousand feet than we could afford to deliver it from our own mill in British Columbia, because the cost of production in British Columbia is higher than in the United States.

Of course, Mr. President, this can not be the case for any length of time, and it can only cover certain tracts. We can put the American lumber into Manitoba, in those prairie districts to-day, cheaper, I think, than the Canadians can put their own lumber into their own country; but they are supplying a considerable demand in that country.

Considerable argument has been made on behalf of the great lumber concerns against free lumber for the reason that a much higher rate of taxes is paid in this country than in Canada. This, however, depends upon local conditions. Some portions of Canada that are wholly unsettled, with no schools and practically no township or county governments to support, have of course light taxes. I think, however, there is little difference between the Ontario and the American side in respect to amount of taxation.

Mr. Lynch, speaking of the question of taxes, says:

The item of taxes varies in the different Provinces and on different classes of timber, but runs from \$5 per square mile, which is the lowest annual rental on timber in the prairie Provinces, to \$140 per square mile on the heavy timber in British Columbia, west of the Cascade Mountains. This tax or rental is paid annually, and is an addition to the local or business taxes which may be paid. Most of our holdings are east of the Cascades, in British Columbia, in the mountain district, where we pay a tax of \$115 per square mile per annum. On the amount of timber which we hold this tax amounts to about 6 cents per thousand per annum. This is treble the tax paid by us on our holdings on this side of the line. The fee of the land does not go with this.

All of the timber in Canada, however, carries a minimum royalty to the government of 50 cents per thousand board measure and from that up to \$6 per thousand in royalty in some of the eastern Provinces. To these royalties, to find the stumpage, must be added the bonus which is paid to the Dominion government when the license to cut the timber was issued by the government, and which amounts, according to the competition which prevailed when the timber was sold by the government, to from 15 cents to \$2 per thousand. This bonus is paid to the government in cash when the timber is sold, while the royalty is paid to the government when the timber is sawed. Royalty is also paid on all of the by-products, including laths and shingles.

Mr. Hines, representing the Weyerhaeuser interests, asserted that his taxes on a certain timber tract in Wisconsin amounted to \$3 a thousand on the cut of the mill. Against this put the statement of Mr. J. W. Wells, who says he is interested in 320,000 acres of timber land in 14 different counties in Wisconsin and Michigan, and that his taxes amount to only 50 cents per thousand on the amount of lumber produced. Then compare this with the royalty taxes in Ontario and the annual rental charged and add the local tax whenever it is located in a settled district. We know that in British Columbia there is a royalty of from 50 to 60 cents per thousand feet of product and in addition to that a lease charge of \$115 to \$140 per square mile. Mr. Dwinnell says that M. J. Scanlon pays on his British Columbia timber the equivalent to a tax of nearly 22 cents; in Louisiana 10 cents; in Oregon 8 cents.

Mr. Hines seems to forget also that the taxes which he pays are utilized in such a way that they tend to enhance the value of his property. The British Columbia taxes go to the provincial government, and no part is used in improving the lumber districts.

Mr. Bowman says that the taxes in Louisiana amount to 1 cent per thousand; in British Columbia 2 cents. The Rogers Lumber Company states that taxes on their lands are less than 1 cent in Oregon; in British Columbia 2.57 cents per thousand.

Of one thing, Mr. President, we can be morally certain, and that is that no lumber company is continually, day in and day out, selling its produce for less than it costs. We can be equally certain that no American lumber company is putting its product close at the doors of the Canadian mills, unless it can afford to do so. When we find that such is the case it is pretty good evidence that the American can compete with the Canadian right at his own doors.

Mr. President, the Grand Trunk Pacific Railroad passes through the great lumber districts of British Columbia, a part

of Saskatchewan, and of Alberta, and yet in a competitive bid, within a year, for lumber to be used in the construction of that railroad, out in the wooded country of Canada, a Puget Sound American lumber company outbid the Canadian company, took the lumber from the American side, and built the Canadian railroad.

Mr. PILES. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. PILES. Does the Senator want me to explain that to him?

Mr. FLINT. Mr. President—

The PRESIDING OFFICER. Does the Senator yield to the Senator from California?

Mr. McCUMBER. I have not time to yield much longer unless I continue to speak at too great length. I want to get through just as quickly as I can.

Mr. FLINT. Very well; I will wait.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. McCUMBER. I do not decline to yield; but I have not the time to submit to further interruptions now.

Mr. President, I want to call some facts to the attention of our southern friends, who have been very fearful that the Canadians would run their oak lumber down South and come in competition with southern lumber.

Why, Mr. President, the Canadian Pacific Railroad Company purchases all of its material, as I understand, for the construction of its cars from our southern mills and takes it up into Canada. If the American lumber industry needs protection it would not be shipping its own products into a foreign country, and the fact that they are shipping into a foreign country year in and year out is pretty conclusive evidence to me that they do not need the protection that they are asking for against that foreign country.

I want to call attention now to the exportation from the United States to Canada. All of the western country bordering upon the Pacific is able to compete with Canada in all of the lumber markets of the world. I want any man to tell me how it is possible that year after year we are shipping three or four times as much lumber abroad as the Canadians are shipping abroad unless we can sell it as low as the Canadians can sell it. The very fact that we are holding the markets of Australia and of the Orient as against the Canadians is pretty conclusive evidence to me that we can afford to hold it against the Canadians, and we can afford to hold it only because we can manufacture lumber just as cheaply as they can manufacture it.

Our total exports of forest products now exceed in value \$126,000,000. A large portion of this is in competition with Canadian products. The United States is in fact the leading lumber exporting nation of the world. The mills in Washington and Oregon increased their exports from 131,000,000 feet in 1905 to 363,000,000 feet in 1907—more than double in two years—while those of British Columbia increased their exports in the same period from 41,000,000 to 67,000,000 feet. The increase in American lumber exports was 200 per cent, while in the case of British Columbia the increase was only about 55 per cent. If our Washington and Oregon mills can compete in the foreign markets against Canadian lumber, why do we need protection in those markets, or in the home markets either, as against Canadian lumber?

The Pacific Lumber Trade Journal estimates the stumpage of British Columbia to be 150,000,000,000 feet; of Oregon 225,000,000,000 feet; of Washington 196,000,000,000 feet; of California 180,000,000,000 feet; and of Idaho 100,000,000,000 feet. With that supply and with the prices that we are paying, compared with the Canadian prices in the mountain districts, I think it is manifest that we are able to compete with them.

Pine stumpage in Minnesota is sold as high as \$12 to \$13. Late sales of government timber in Ontario have been on a basis of \$11.50 to \$12 per thousand feet. On the western coast of British Columbia stumpage is considerably cheaper than Washington and Oregon stumpage, but the difference is not so great as has been alleged by the high tariff proponents.

According to Bulletin 27, issued by the Forestry Service, stumpage values have increased from 1899 to 1907 as follows:

White pine, from \$3.66 per thousand to \$8.09 per thousand; yellow pine, from \$1.12 to \$3.16; Douglas fir, from 72 cents to \$1.44; cedar, from \$1.32 to \$4.04; hemlock, from \$2.56 to \$4.51; spruce, from \$2.26 to \$5.49.

All of these increases have operated for the benefit of the large lumber interests.

I want to take up now the very last proposition, and that is the matter of the finished lumber. I have heard a great deal about "jokers" being in our tariff bills. The only provision

that I know of in this bill that is really a joker in the sense that it operates as a practical joke upon the American people is the proposed reduction of \$1 in the rate on undressed lumber and the maintenance of the higher rates upon finished lumber. Of what benefit to the great consuming public, where the lumber has to be imported over railways, is the \$1 reduction upon the unfinished product? Of what benefit to the American consumer of lumber is a reduction of the duty on that which he never uses? The American consumer will get just as much benefit out of the reduction upon rough lumber as he would get out of the reduction upon a rough diamond, and no more. Ninety per cent of all the lumber we use is in a finished state. What do we use it for? For building homes, building barns, and so forth. What man would think of buying rough lumber and sawing it with a handsaw to make his door frames or his window frames or to tongue and groove his floor? If we are going to have any substantial reduction, it must necessarily be upon the finished product.

I want to show, Mr. President, that there is no reason on earth for maintaining the sliding upward scale, the differentials, in the lumber schedule. They were placed there possibly years ago, when it took a separate operation upon every piece of lumber as it was changed from one condition to another. I do not want to conduct a kindergarten, but I do want to call attention to some extent to the manufacture of lumber. I know that I labor under some disadvantage in not being myself a manufacturer of lumber. The Senator from Maryland [Mr. SMITH], who says he is a manufacturer of lumber of thirty years' experience, intimated yesterday, because of a statement I had made, that I had not the slightest idea about the lumber business, or possibly that I had never seen a sawmill; and he declared that it was the height of folly to say that you could ever take a rough board directly from the saw and plane it; that it was an impossibility, and that anybody who made a statement of that kind did not know anything about the lumber business. These remarks go out over the country, and this morning there commenced to pile in telegrams, letters, and communications to me from a great many manufacturing lumbermen in the country, every one of them declaring that that is just the process by which they convert the rough lumber into the finished state. They even deny that they ever send it to the drying kiln first, but state that they send it directly from the saw to the planing mill, and they plane it on both sides, top and bottom and side and groove and tongue it all at one operation. The Senator from Maryland said that nobody ever heard of a proposition of that kind; and yet, Mr. President, men who have been engaged in the lumber business for years say that that is their method. I know that there is a considerable portion of the lumber that does not go directly from the saw to the planing mill. Some of it first goes to the drier, and is afterwards planed. Some of it goes into the general stock, is piled up in the yards, and is not planed until an order comes in, and then it is put through the planing mill. Why? Not because they could not do it before, but simply because it would become weather-beaten, as they say, and they want it to go fresh-looking from the mills.

Here is a board [exhibiting] as it comes from the saw. The expense of manufacturing this board, as I am told, exclusive of the cost of the log, is less than \$4 per thousand. The Dingley law protects it by a duty of \$2, or 50 per cent of the cost of production; the Payne bill protects it by a duty of \$1, or 25 per cent of the cost of production. It costs more, as I am reliably informed, taking Canada as a whole, to manufacture this board in Canada than it costs to manufacture it in the United States.

Here is another board [exhibiting]. It is planed on only one side. It is a sample of shiplap, and is surfaced on one side. If it goes direct from the saw, as I understand, to the planer, it costs 15 cents on the average to do the surfacing; otherwise 50 cents is a generous allowance. So says my informant. This lumber surfaced on one side is protected in both the Dingley law and the Payne bill 50 cents more than the other piece of lumber without the surfacing. When surfaced on two sides the cost is about the same as for one side, but the protection, with no added cost, is a dollar in addition to the duty on rough lumber, making a total rate of protection of \$2 upon that piece of board. The cost of surfacing in Canada is practically the same as it is in this country. If it is surfaced on three sides, although it may be only the edge, another 50 cents is added to the duty, making the duty \$1.50.

Mr. President, I have here another board [exhibiting]. Here is a board finished on four sides. The cost of finishing that board in no instance, I am informed, exceeds a dollar a thousand, and is probably not more than 50 cents a thousand on the average, and yet the additional duty over the rate on rough lumber is \$2. The outside cost would not exceed \$1, and the average cost would be about 50 cents, but the duty over that on

rough lumber is \$2, making a total duty of \$3. This might be surfaced for about the same cost on both sides.

I have some data here to show the cost of surfacing and how it is done, but I will not bother the Senate with it now.

Here is another board [exhibiting], a two-by-four scantling, or a two by four, as it is called. It is finished on four sides. The cost of finishing does not exceed a dollar, and it may not be more than 50 cents, averaging about 50 cents, but the additional duty under the pending bill over the duty on rough lumber, on lumber of this character, is \$2, or a \$3 duty altogether. Fifty cents added to the duty on rough lumber would be a sufficient amount for the planing of this piece of lumber.

Here [exhibiting] is a board planed upon one side and grooved and tongued upon two other sides. This is flooring. The cost of finishing is not to exceed 50 cents a thousand, and the additional cost on that is a dollar a thousand, or a total of \$2 duty on that piece of lumber.

I take this one that is finished on four sides, and I insist that that is changed from the rough piece of lumber that I have described into that finished article by one movement. I admit it does not go through the mill so rapidly, as I am informed, as it would if it were planed upon one side. But they have the planing mill so arranged that they can run on both sides and groove and tongue it at the same time.

Mr. PILES. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. PILES. Just for a question?

Mr. McCUMBER. Certainly.

Mr. PILES. I wish to ask from whom the Senator gets his information as to the cost of planing lumber on both sides and tonguing and grooving?

Mr. McCUMBER. I get it from somebody who is interested in getting it in—

Mr. PILES. Is it not Mr. Lynch?

Mr. McCUMBER (continuing). Just the same as the Senator gets his information from somebody who is interested in keeping it out. I think this is a correct statement, because I have it from several different companies.

Mr. PILES. I should like to know who they are.

Mr. McCUMBER. I probably have the names right here. If I have them in my desk I will give them now, and if I have not, I will certainly give the Senator the names of these people.

Mr. PILES. All right.

Mr. McCUMBER. Here is flooring surfaced on two sides, tongued and grooved. The cost of finishing is not to exceed 50 cents per thousand. The additional protection over rough lumber is \$1.50 a thousand, or a total of \$2.50.

I desire to say to my southern friends, who say that they want to vote for a tariff on lumber, but they want to vote for it as a tariff for revenue only and not protection, you have your opportunity to do so in reducing the schedule upon the finished lumber to 50 cents, because everything above that is protection to the American finisher.

Now here is drop siding, surfaced on one side, tongued and grooved. The cost of finishing is not to exceed 50 cents a thousand. The additional duty over rough lumber, \$1 a thousand, or an entire duty of \$2 per thousand.

Here is another piece of drop siding. That is \$2.50 a thousand. It is made upon the same basis, although all the work is done in passing that on its travels without stopping in its onward movement, from the rough lumber into the finished lumber.

Mr. President, we all understand why the finished lumber can be shipped so very much cheaper than the rough lumber. It has already been explained why it is, and I do not care about going over the same thing again. But I desire to call attention to a statement that is given here from one of these southern mills. It was referred to by the Senator from Minnesota [Mr. NELSON]. I am going to ask the Clerk to read some of these before closing, but I want to call attention to two schedules or price lists, one from Texarkana, Ark., and the other from St. Louis, Mo. Those schedules were printed from the same press, with exactly the same ink, the only difference being the companies mentioned on the outside. Every item is exactly the same, although these mills are about 400 miles apart. This price list establishes, first, that rough lumber costs about \$2.25 to \$2.50 per thousand more than finished lumber, and it shows almost as conclusively that there is a combination on the part of lumber producers to hold up the consumer.

But what I wanted especially to bring to the attention of the Senate is the fact that the cost of rough lumber is \$2.25, as a rule, more than the finished product. And even with a reduction of \$1 per thousand, it would still be higher than the finished product.

Before closing I want to get at the real secret, the reason which actuates those lumbermen who are in favor of the higher



tariff on lumber. As has already been shown, a large portion of the Canadian lumber resources are owned to-day by American lumbermen. They make no secret of their proposition. They know that lumber is bound to go up, as every American citizen knows it is bound to go up, as it is rapidly being exhausted. They know about how long it will take to exhaust the present American supply, and they want to hold up the American consuming public to exorbitant prices until they have exhausted the American supply, during which time their Canadian property will enhance in value as our own supply is being exhausted, and when they have practically exhausted that then they will come before the same American public and will cry for free lumber. While now they are shedding tears for the poor American laborer, they will then be weeping for the American consumer.

Let us see if I am borne out in these facts. I want to call attention to a position taken by one of the large lumbermen, as contained in a recent publication, in which he says:

Another interesting phase of the situation is that many, perhaps most, of the Americans who own timber in British Columbia, and also in the States, are opposed to the repeal of the American tariff. One of these men explained his position the other day in the following language:

"The way I figure it out is that the best policy for those of us who own timber on both sides of the line is to do our best to keep up the American tariff at the present time. That will help us to get top prices for the products of our American timber as long as it lasts. The faster we cut that timber the more valuable the Canadian timber will be when the time comes for us to use it."

"If the tariff were to come off now our Canadian timber would gain nothing, but by keeping up the tariff as long as there is any timber left in the United States we win heavily both ways; first, on our American timber, and second, eventually on our Canadian timber; and the chances are that the American people, with their delusions about a high protective tariff, will 'fall' to this idea."

I am told that one of the greatest lumber manufacturers in the United States a short time ago remarked that, while he would prefer to have the tariff stay where it is, he did not have the nerve publicly to commit himself in opposition to the repeal of the lumber tariff.

Mr. President, how will the removal of the lumber tariff keep down prices? It will not keep them down to any great extent. The diminishing supply is bound to send lumber upward. All it can possibly do is to prevent extortionate charges being made for the lumber upon this side. It can operate as a regulator of the 100 to 188 per cent profits upon the manufactures of lumber. That is about all it possibly can do.

Mr. President, in closing, in answer to the charges iterated and reiterated against our people of the prairie States, that we are asking for protection and are not granting protection, I want to say that for forty years the safety of the Republican doctrine of protection has rested in those agricultural States. We got the least direct benefit. We sacrificed more than any manufacturing State in the Union for the cause of protection. We believed in building up your factories. We were patriotic enough to say that we would pay higher prices if it gave your people higher prices and higher wages. And I want to say to the Senator from North Carolina [Mr. SIMMONS], who spoke here the other day along that line, that when the Democrats were voting a Democratic ballot in every Southern State and praying to God that it might not be effective—while they were holding Democratic ballots in their hands and Republican policies in their hearts, these farmers about whom you are complaining were steadily putting in their ballots, two and three to one, to protect you against yourselves. Whenever the great question of protection is in the balance, on the eve of any great national election, every eye is centered upon the pivotal State of New York. We first get your Democratic vote in that manufacturing State. We first get that, as a rule, enormous majority in favor of free trade, and then we look to get the returns from the agricultural sections of the country to overturn it; and when any of your States that preach your free-trade doctrine are voting at the polls even you in those States are looking to the Northwest, to this farmer, to protect you against that policy.

All of our friends here from the Southern States are preaching protection to-day on everything in which they are interested. We are giving protection to the manufacturers; we are giving every one of them a higher protection than we have ever asked for ourselves; but we believe that there are principles underlying the philosophy of protection that we can never get away from. We feel that we can apply those principles, and applying them to lumber, to iron ore, to coal, and to oil, we can find no basis for their application, because a duty upon every article which must necessarily be exhausted just in proportion to that increase is a contravention of the underlying principles of protection. We will give protection wherever it is needed, but, as I have said before, more important than all other questions to the American people is that of the conservation of our forests.

I deny that we own in fee the territory constituting our coun-

try. It belongs to our children's children. We have a life interest in these great resources, a right to use them, but I deny that we have a right to so use them as to seriously diminish their value to future generations.

The man who takes a life lease of land can not excuse himself to those who take after him if he exhausts the soil and so destroys it that it is practically of no use to those who follow him. Neither can the American people to-day justify themselves in the deforestation of the American Continent, changing our climate, causing floods, washing away the soil from our farms, thereby not only depriving future generations of these resources, but, in addition to that, placing upon them the burden of taxation to reforest and resoil that which we have destroyed.

That is the view, Mr. President, that I have upon the lumber question. It is a bigger question than that of merely giving employment to laborers to-day. It is a question of the future, in which the whole American people have an interest of which we have no just right to deprive them.

Mr. President, I agreed to say something before closing about the prices of labor in Canada and the United States. I just want to call attention to the fact that from a late statement I have this laborer that you are complaining about in Canada, this oriental laborer, receives on an average \$1.68 a day, and that is 43 cents higher than the average laborer in the southern mills. In other words, the oriental laborer in Canada is receiving a higher price than the colored laborer in this country.

Mr. BACON. Will the Senator pardon me? What did he say about the rate of labor in the South?

Mr. McCUMBER. The table which I believe was given in testimony before the House committee showed that the average price per day of oriental labor in Canada was \$1.68, and that the average price of the daily wage for the colored labor in the southern mills was about 90 cents; that is, less than \$1, although some were paid \$1 a day.

Mr. BACON. I do not know the precise wages of such labor in the South, and I am not prepared to give the Senator accurate figures, but I am sure it is very much higher than that. I do not mean by that to enter into any controversy. I was simply attracted by the statement of the Senator. I confess I was surprised to hear that the oriental labor is so high. I thought it was very much lower. That is the reason I interrupted him. However, I am not well informed about it.

Mr. McCUMBER. I will ask the Senator if colored labor in the mills in the South, so far as he knows, will average a dollar a day?

Mr. BACON. I can not state with absolute certainty, but I think—

Mr. McCUMBER. I have to take the figures as I can get them.

Mr. BACON. But I think it is more. However, I am not certain.

During the delivery of Mr. McCUMBER's speech,

Mr. ALDRICH. Will the Senator from North Dakota yield to me for a moment?

Mr. McCUMBER. Certainly.

Mr. ALDRICH. I ask leave out of order to report from the Finance Committee sundry amendments to the pending bill, which I ask may be printed. I make the report now in order that the amendments may be printed by to-morrow morning.

The PRESIDING OFFICER (Mr. SMITH of Michigan in the chair). The Senator from Rhode Island reports numerous amendments to the pending bill, which he asks to have printed. That order will be made, unless there is objection.

At the conclusion of Mr. McCUMBER's speech,

Mr. ALDRICH. I will be glad, Mr. President, if the amendments which I offered to the bill to-day can now be read. I do not, of course, expect to have them acted upon at this time, but I should be very glad to have them read.

The PRESIDING OFFICER. The Secretary will read, as requested.

The SECRETARY: On page 224, after line 16, at the end of section 1, insert:

The provisions of the dutiable list and the free list of this section shall constitute the minimum tariff of the United States.

After section 1 insert as a new section the following:

SEC. 2. That from and after the 31st day of March, 1910, except as otherwise specially provided for in this section, there shall be levied, collected, and paid on all articles when imported from any foreign country into the United States, or into any of its possessions (except the Philippine Islands), the rates of duty prescribed by the schedules and paragraphs of the dutiable list of section 1 of this act, and in addition thereto 25 per cent ad valorem; and there shall also be levied, collected, and paid the following rates of duty on articles upon the free list in said section 1, namely: On coffee, 5 cents per pound; on tea, 10 cents per pound; which rates shall constitute the general tariff of the United States: *Provided*, That whenever and so long as the President shall be satisfied, in view of the character of the concessions granted by the minimum tariff of the United States, that the govern-

ment of any foreign country imposes no terms or restrictions, either in the way of tariff rates or provisions, trade or other regulations, charges, exactions, or in any other manner, directly or indirectly, upon the importation into or the sale in such foreign country of any agricultural, manufactured, or other product of the United States, which unduly discriminates against the United States or the products thereof, and that such foreign country imposes no export bounty or prohibition upon the exportation of any article to the United States which unduly discriminates against the United States or the products thereof, and that such foreign country accords to the agricultural, manufactured, or other products of the United States treatment which is reciprocal and equivalent, then, upon proclamation to this effect by the President of the United States, all articles when imported into the United States, or any of its possessions (except the Philippine Islands), from such foreign country shall, except as otherwise herein provided, be admitted under the terms of the minimum tariff of the United States as prescribed by section 1 of this act. The proclamation issued by the President under the authority hereby conferred and the application of the minimum tariff thereupon may, in accordance with the facts as found by the President, extend to the whole of any foreign country, or may be confined to or exclude from its effect any dependency, colony, or other political subdivision having authority to adopt and enforce tariff legislation, or to impose restrictions or regulations or to grant concessions upon the exportation or importation of articles which are, or may be, imported into the United States. Whenever the President shall be satisfied that the conditions which led to the issuance of the proclamation hereinbefore authorized no longer exist, he shall issue a proclamation to this effect, and thereupon and thereafter the provisions of the general tariff shall be applied to the importation of articles from such country. Whenever the provisions of the general tariff of the United States shall be applicable to articles imported from any foreign country, they shall be applicable to the products of such country, whether imported directly from the country of production or otherwise. To secure information to assist the President in the discharge of the duties imposed upon him by this section, and information which will be useful to Congress in tariff legislation and to the officers of the Government in the administration of the customs laws, the President is hereby authorized to employ such persons as may be required to make thorough investigations and examinations into the production, commerce, and trade of the United States and foreign countries, and all conditions affecting the same.

Add as a new section the following:

Sec. 3. That the act entitled "An act to simplify the laws in relation to the collection of the revenues," approved June 10, 1890, as amended, be further amended to read as follows:

"Sec. 1. That all merchandise imported into the United States shall, for the purpose of this act, be deemed and held to be the property of the person to whom the same is consigned; and the holder of a bill of lading duly indorsed by the consignee therein named, or, if consigned to order, by the consignor, shall be deemed the consignee thereof; and in case of the abandonment of any merchandise to the underwriters the latter may be recognized as the consignee.

"Sec. 2. That all invoices of imported merchandise shall be made out in the currency of the place or country from whence the importations shall be made, or, if purchased, in the currency actually paid therefor, shall contain a correct description of such merchandise, and shall be made in triplicate or quadruplicate in case of merchandise intended for immediate transportation without appraisement, and signed by the person owning or shipping the same, if the merchandise has been actually purchased, or by the manufacturer or owner thereof if the same has been procured otherwise than by purchase, or by the duly authorized agent of such purchaser, seller, manufacturer, or owner.

"Sec. 3. That all such invoices shall, at or before the shipment of the merchandise, be produced to the consul, vice-consul, or commercial agent of the United States of the consular district in which the merchandise was manufactured or purchased, as the case may be, for export to the United States, and shall have indorsed thereon, when so produced, a declaration signed by the purchaser, seller, manufacturer, owner, or agent, setting forth that the invoice is in all respects correct and true, and was made at the place from which the merchandise is to be exported to the United States; that it contains, if the merchandise was obtained by purchase, a true and full statement of the time when, the place where, the person from whom the same was purchased, and the actual cost thereof, and of all charges thereon, as provided by this act; and that no discounts, bounties, or drawbacks are contained in the invoice but such as have been actually allowed thereon; and when obtained in any other manner than by purchase, the actual market value or wholesale price thereof at the time of exportation to the United States in the principal markets of the country from whence exported; that such actual market value is the price at which the merchandise described in the invoice is freely offered for sale to all purchasers in said markets, and that it is the price which the manufacturer or owner making the declaration would have received, and was willing to receive, for such merchandise sold in the ordinary course of trade in the usual wholesale quantities, and that it includes all charges thereon as provided by this act, and the actual quantity thereof; and that no different invoice of the merchandise mentioned in the invoice so produced has been or will be furnished to anyone. If the merchandise was actually purchased, the declaration shall also contain a statement that the currency in which such invoice is made out is that which was actually paid for the merchandise by the purchaser.

"Sec. 4. That, except in case of personal effects accompanying the passenger, no importation of any merchandise exceeding \$100 in value shall be admitted to entry without the production of a duly certified invoice thereof as required by law, or of an affidavit made by the owner, importer, or consignee, before the collector or his deputy, showing why it is impracticable to produce such invoice; and no entry shall be made in the absence of a certified invoice, upon affidavit as aforesaid, unless such affidavit be accompanied by a statement in the form of an invoice, or otherwise, showing the actual cost of such merchandise, if purchased, or, if obtained otherwise than by purchase, the actual market value or wholesale price thereof at the time of exportation to the United States in the principal markets of the country from which the same has been imported; which statement shall be verified by the oath of the owner, importer, consignee, or agent desiring to make entry of the merchandise, to be administered by the collector or his deputy, and it shall be lawful for the collector or his deputy to examine the deponent under oath touching the sources of his knowledge, information or belief in the premises, and to require him to produce any letter, paper, or statement of account in his possession or under his control, which may assist the officers of customs in ascertaining the actual value of the importation or any part thereof, and in default of such produc-

tion when so requested, such owner, importer, consignee, or agent shall be thereafter debarred from producing any such letter, papers, or statement for the purpose of avoiding any additional duty, penalty, or forfeiture incurred under this act, unless he shall show to the satisfaction of the court or the officers of the customs, as the case may be, that it was not in his power to produce the same when so demanded; and no merchandise shall be admitted to entry under the provisions of this section unless the collector shall be satisfied that the failure to produce a duly certified invoice is due to causes beyond the control of the owner, consignee, or agent thereof: *Provided*, That the Secretary of the Treasury may make regulations by which books, magazines, and other periodicals published and imported in successive parts, numbers, or volumes, and entitled to be imported free of duty, shall require but one declaration for the entire series. And when entry of merchandise exceeding \$100 in value is made by a statement in the form of an invoice, the collector shall require a bond for the production of a duly certified invoice.

"Sec. 5. That whenever merchandise imported into the United States is entered by invoice, one of the following declarations, according to the nature of the case, shall be filed with the collector of the port at the time of entry by the owner, importer, consignee, or agent, which declaration so filed shall be duly signed by the owner, importer, consignee, or agent before the collector, or before a notary public or other officer duly authorized by law to administer oaths and take acknowledgments, who may be designated by the Secretary of the Treasury to receive such declarations and to certify to the identity of the persons making them, under regulations to be prescribed by the Secretary of the Treasury; and every officer so designated shall file with the collector of the port a copy of his official signature and seal: *Provided*, That if any of the invoices or bills of lading of any merchandise imported in any one vessel which should otherwise be embraced in said entry have not been received at the date of the entry, the declaration may state the fact, and thereupon such merchandise, of which the invoices or bills of lading are not produced, shall not be included in such entry, but may be entered subsequently.

"DECLARATION OF CONSIGNEE, IMPORTER, OR AGENT WHERE MERCHANDISE HAS BEEN ACTUALLY PURCHASED.

"I, ———, do solemnly and truly declare that I am the consignee, importer, or agent of the merchandise described in the annexed entry and invoice; that the invoice and bill of lading now presented by me to the collector of ——— are the true and only invoice and bill of lading by me received of all the goods, wares, and merchandise imported in the ———, whereof ——— is master, from ———, for account of any person whomsoever for whom I am authorized to enter the same; that the said invoice and bill of lading are in the state in which they were actually received by me, and that I do not know or believe in the existence of any other invoice or bill of lading of the said goods, wares, and merchandise; that the entry now delivered to the collector contains a just and true account of the said goods, wares, and merchandise, according to the said invoice and bill of lading; that nothing has been on my part, nor to my knowledge on the part of any other person, concealed or suppressed whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and the declaration therein are in all respects true, and were made by the person by whom the same purport to have been made; and that if at any time hereafter I discover any error in the said invoice, or in the account now rendered of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district. And I do further solemnly and truly declare that to the best of my knowledge and belief (insert the name and residence of the owner or owners) is (or are) the owner (or owners) of the goods, wares, and merchandise mentioned in the annexed entry; that the invoice now produced by me exhibits the actual cost at the time of exportation to the United States in the principal markets of the country from whence imported of the said goods, wares, and merchandise, and includes and specifies the value of all cartons, cases, crates, boxes, sacks, casks, barrels, hogsheads, bottles, jars, demijohns, carboys, and other containers or coverings, whether holding liquids or solids, which are not otherwise specially subject to duty under any paragraph of the tariff act, and all other costs, charges, and expenses incident to placing said goods, wares, and merchandise in condition, packed ready for shipment to the United States, and no other or different discount, bounty, or drawback but such as has been actually allowed on the same.

"DECLARATION OF CONSIGNEE, IMPORTER, OR AGENT WHERE MERCHANDISE HAS NOT BEEN ACTUALLY PURCHASED.

"I, ———, do solemnly and truly declare that I am the consignee, importer, or agent of the merchandise described in the annexed entry and invoice; that the invoice and bill of lading now presented by me to the collector of ——— are the true and only invoice and bill of lading by me received of all the goods, wares, and merchandise imported in the ———, whereof ——— is master, from ———, for account of any person whomsoever for whom I am authorized to enter the same; that the said invoice and bill of lading are in the state in which they were actually received by me, and that I do not know or believe in the existence of any other invoice or bill of lading of the said goods, wares, and merchandise; that the entry now delivered to the collector contains a just and true account of the said goods, wares, and merchandise, according to the said invoice and bill of lading; that nothing has been on my part, nor to my knowledge on the part of any other person, concealed or suppressed whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and the declaration therein are in all respects true, and were made by the person by whom the same purport to have been made; and that if at any time hereafter I discover any error in the said invoice, or in the account now rendered of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district. And I do further solemnly and truly declare that to the best of my knowledge and belief (insert the name and residence of the owner or owners) is (or are) the owner (or owners) of the goods, wares, and merchandise mentioned in the annexed entry; that the invoice now produced by me exhibits the actual market value or wholesale price at the time of exportation to the United States in the principal markets of the country from whence imported of the said goods, wares, and merchandise, and includes and specifies the value of all cartons, cases, crates, boxes, sacks, casks, barrels, hogsheads, bottles, jars, demijohns, carboys, and other containers or coverings, whether holding liquids or solids, which are not otherwise specially subject to duty under any paragraph of the tariff act, and all other costs, charges, and expenses incident to placing said goods, wares, and merchandise in condition,



packed ready for shipment to the United States, and no other or different discount, bounty, or drawback but such as has been actually allowed on the same.

**"DECLARATION OF OWNER IN CASES WHERE MERCHANDISE HAS BEEN ACTUALLY PURCHASED."**

"I, ———, do solemnly and truly declare that I am the owner by purchase of the merchandise described in the annexed entry and invoice; that the entry now delivered by me to the collector of ——— contains a just and true account of all the goods, wares, and merchandise imported by or consigned to me, in the ———, whereof ——— is master, from ———; that the invoice and entry, which I now produce, contain a just and faithful account of the actual cost of the said goods, wares, and merchandise, and include and specify the value of all cartons, cases, crates, boxes, sacks, casks, barrels, hogsheads, bottles, jars, demijohns, carboys, and other containers or coverings, whether holding liquids or solids, which are not otherwise specially subject to duty under any paragraph of the tariff act, and all other costs, charges, and expenses incident to placing said goods, wares, and merchandise in condition, packed ready for shipment to the United States, and no other discount, drawback, or bounty but such as has been actually allowed on the same; that I do not know nor believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I further solemnly and truly declare that I have not in the said entry or invoice concealed or suppressed anything whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that to the best of my knowledge and belief the said invoice and the declaration thereon are in all respects true, and were made by the person by whom the same purport to have been made, and that if at any time hereafter I discover any error in the said invoice or in the account now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district.

**"DECLARATION OF MANUFACTURER OR OWNER IN CASES WHERE MERCHANDISE HAS NOT BEEN ACTUALLY PURCHASED."**

"I, ———, do solemnly and truly declare that I am the owner (or manufacturer) of the merchandise described in the annexed entry and invoice; that the entry now delivered by me to the collector of ——— contains a just and true account of all the goods, wares, and merchandise imported by or consigned to me in the ———, whereof ——— is master, from ———; that the said goods, wares, and merchandise were not actually bought by me, or by my agent, in the ordinary mode of bargain and sale, but that, nevertheless, the invoice which I now produce contains a just and faithful valuation of the same, at their actual market value or wholesale price, at the time of exportation to the United States, in the principal markets of the country from whence imported for my account (or for account of myself or partners); that such actual market value is the price at which the merchandise described in the invoice is freely offered for sale to all purchasers in said markets and is the price which I would have received and was willing to receive for such merchandise sold in the ordinary course of trade in the usual wholesale quantities; that the said invoice contains also a just and faithful account of all the cost of finishing said goods, wares, and merchandise to their present condition, and includes and specifies the value of all cartons, cases, crates, boxes, sacks, casks, barrels, hogsheads, bottles, jars, demijohns, carboys, and other containers or coverings, whether holding liquids or solids, which are not otherwise specially subject to duty under any paragraph of the tariff act, and all other costs and charges incident to placing said goods, wares, and merchandise in condition, packed ready for shipment to the United States, and no other discount, drawback, or bounty, but such as has been actually allowed on the said goods, wares, and merchandise; that the said invoice and the declaration thereon are in all respects true, and were made by the person by whom the same purports to have been made; that I do not know nor believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I do further solemnly and truly declare that I have not in the said entry or invoice concealed or suppressed anything whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; and that if at any time hereafter I discover any error in the said invoice, or in the accounts now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district.

"Sec. 6. That any person who shall knowingly make any false statement in the declarations provided for in the preceding section, or shall aid or procure the making of any such false statement as to any matter material thereto, shall, on conviction thereof, be punished by a fine not exceeding \$5,000, or by imprisonment at hard labor not more than two years, or both, in the discretion of the court: *Provided*, That nothing in this section shall be construed to relieve imported merchandise from forfeiture by reason of such false statement or for any cause elsewhere provided by law.

"Sec. 7. That the owner, consignee, or agent of any imported merchandise may, at the time when he shall make and verify his written entry of such merchandise, but not afterwards, make such addition in the entry to or such deduction from the cost or value given in the invoice or pro forma invoice or statement in form of an invoice, which he shall produce with his entry, as in his opinion may raise or lower the same to the actual market value or wholesale price of such merchandise at the time of exportation to the United States, in the principal markets of the country from which the same has been imported; and the collector within whose district any merchandise may be imported or entered, whether the same has been actually purchased or procured otherwise than by purchase, shall cause the actual market value or wholesale price of such merchandise to be appraised; and if the appraised value of any article of imported merchandise subject to an ad valorem duty or to a duty based upon or regulated in any manner by the value thereof shall exceed the value declared in the entry, there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, an additional duty of 1 per cent of the total appraised value thereof for each 1 per cent that such appraised value exceeds the value declared in the entry; but the additional duties shall only apply to the particular article or articles in each invoice that are so undervalued and shall not be imposed upon any article upon which the amount of duty imposed by law on account of the appraised value does not exceed the amount of duty that would be imposed if the appraised value did not exceed the entered value, and shall be limited to 50 per cent of the appraised value of such article or articles.

Such additional duties shall not be construed to be penal, and shall not be remitted nor payment thereof in any way avoided except in cases arising from a manifest clerical error, and whenever additional duties have been imposed upon merchandise the same shall not be refunded in case of exportation of the merchandise, nor shall they be subject to the benefit of drawback: *Provided*, That if the appraised value of any merchandise shall exceed the value declared in the entry by more than 50 per cent, except when arising from a manifest clerical error, such entry shall be held to be presumptively fraudulent, and the collector of customs shall seize such merchandise and proceed as in case of forfeiture for violation of the customs laws, and in any legal proceeding that may result from such seizure, the undervaluation as shown by the appraisal shall be presumptive evidence of fraud, and the burden of proof shall be on the claimant to rebut the same, and forfeiture shall be adjudged unless he shall rebut such presumption of fraudulent intent by sufficient evidence. The forfeiture provided for in this section shall apply to the whole of the merchandise or the value thereof in the case or package containing the particular article or articles in each invoice which are undervalued: *Provided further*, That all additional duties, penalties, or forfeitures applicable to merchandise entered by a duly certified invoice shall be alike applicable to merchandise entered by a pro forma invoice or statement in the form of an invoice, and no forfeiture or disability of any kind incurred under the provisions of this section shall be remitted or mitigated by the Secretary of the Treasury. The duty shall not, however, be assessed in any case upon an amount less than the entered value.

"Sec. 8. That when merchandise entered for customs duty has been consigned for sale by or on account of the manufacturer thereof, to a person, agent, partner, or consignee in the United States, such person, agent, partner, or consignee shall, at the time of the entry of such merchandise, present to the collector of customs at the port where such entry is made, as a part of such entry, and in addition to the certified invoice or statement in the form of an invoice required by law, a statement signed by such manufacturer, declaring the cost of production of such merchandise, such cost to include all the elements of cost as stated in section 11 of this act. When merchandise entered for customs duty has been consigned for sale by or on account of a person other than the manufacturer of such merchandise, to a person, agent, partner, or consignee in the United States, such person, agent, partner, or consignee shall at the time of the entry of such merchandise present to the collector of customs at the port where such entry is made, as a part of such entry, a statement signed by the consignor thereof, declaring that the merchandise was actually purchased by him or for his account, and showing the time when, the place where, and from whom he purchased the merchandise, and in detail the price he paid for the same: *Provided*, That the statements required by this section shall be made in triplicate, and shall bear the attestation of the consular officer of the United States resident within the consular district wherein the merchandise was manufactured, if consigned by the manufacturer or for his account, or from whence it was imported when consigned by a person other than the manufacturer, one copy thereof to be delivered to the person making the statement, one copy to be transmitted with the triplicate invoice of the merchandise to the collector of the port in the United States to which the merchandise is consigned, and the remaining copy to be filed in the consulate.

"Sec. 9. That if any consignor, seller, owner, importer, consignee, agent, or other person or persons, shall enter or introduce, or attempt to enter or introduce, into the commerce of the United States any imported merchandise by means of any fraudulent or false invoice, affidavit, letter, paper, or by means of any false statement, written or verbal, or by means of any false or fraudulent practice or appliance whatsoever, or shall be guilty of any willful act or omission by means whereof the United States shall or may be deprived of the lawful duties, or any portion thereof, accruing upon the merchandise, or any portion thereof, embraced or referred to in such invoice, affidavit, letter, paper, or statement, or effected by such act or omission, such merchandise, or the value thereof, to be recovered from such person or persons, shall be forfeited, which forfeiture shall only apply to the whole of the merchandise or the value thereof in the case or package containing the particular article or articles of merchandise to which such fraud or false paper or statement relates; and such person or persons shall, upon conviction, be fined for each offense a sum not exceeding \$5,000, or be imprisoned for a time not exceeding two years, or both, in the discretion of the court.

"Sec. 10. That it shall be the duty of the appraisers of the United States, and every of them, and every person who shall act as such appraiser, or of the collector, as the case may be, by all reasonable ways and means in his or their power to ascertain, estimate, and appraise (any invoice or affidavit thereto or statement of cost, or of cost of production to the contrary notwithstanding) the actual market value and wholesale price of the merchandise at the time of exportation to the United States, in the principal markets of the country whence the same has been imported, and the number of yards, parcels, or quantities, and actual market value or wholesale price of every of them, as the case may require.

"Sec. 11. That when the actual market value, as defined by law, of any article of imported merchandise, wholly or partly manufactured and subject to an ad valorem duty, or to a duty based in whole or in part on value, can not be ascertained to the satisfaction of the appraising officer, such officer shall use all available means in his power to ascertain the cost of production of such merchandise at the time of exportation to the United States, and at the place of manufacture, such cost of production to include the cost of materials and of fabrication, and all general expenses, to be estimated at not less than 10 per cent, covering every outlay of whatsoever nature incident to such production, together with the expense of preparing and putting up such merchandise ready for shipment, and an addition of not less than 8 nor more than 50 per cent upon the total cost as thus ascertained; and in no case shall such merchandise be appraised upon original appraisal or reappraisal at less than the total cost of production as thus ascertained. The actual market value or wholesale price, as defined by law, of any imported merchandise which is consigned for sale in the United States, or which is sold for exportation to the United States, and which is not actually sold or freely offered for sale in usual wholesale quantities in the open market of the country of exportation to all purchasers, shall not in any case be appraised at less than the wholesale price at which such or similar imported merchandise is actually sold or freely offered for sale in usual wholesale quantities in the United States in the open market, due allowance by deduction being made for estimated duties thereon, cost of transportation, insurance, and other necessary expenses from the place of shipment to the place of delivery, and a commission not exceeding 6 per cent, if any has been paid or contracted to be paid.

"Sec. 12. That there shall be appointed by the President, by and with the advice and consent of the Senate, 9 general appraisers of merchandise. Not more than 5 of such general appraisers shall be appointed from the same political party. They shall not be engaged in any other business, avocation, or employment.

"All of the general appraisers of merchandise heretofore or hereafter appointed under the authority of said act shall hold their office during good behavior, but may, after due hearing, be removed by the President for the following causes, and no other: Neglect of duty, malfeasance in office, or inefficiency.

"That hereafter the salary of each of the general appraisers of merchandise shall be at the rate of \$9,000 per annum.

"That the said boards of general appraisers and the members thereof shall have and possess all the powers of a circuit court of the United States in preserving order, compelling the attendance of witnesses, and the production of evidence, and in punishing for contempt.

"All notices in writing to collectors of dissatisfaction of any decision thereof, as to the rate or amount of duties chargeable upon imported merchandise, including all dutiable costs and charges, and as to all fees and exactions of whatever character (except duties on tonnage), with the invoice and all papers and exhibits, shall be forwarded to the board of nine general appraisers of merchandise at New York to be by rule thereof assigned for hearing or determination, or both. The President of the United States shall designate one of the board of nine general appraisers of merchandise as president of said board and others in order to act in his absence. Said general appraisers of merchandise shall be divided into three boards of three members each, to be designated respectively Board 1, Board 2, and Board 3. The president of the board shall assign three general appraisers to each of said boards and shall designate one member of each of said boards as chairman thereof, and such assignment or designation may be by him changed from time to time, and he may assign or designate all boards of three general appraisers where it is now or heretofore was provided by law that such might be assigned or designated by the Secretary of the Treasury. The president of the board shall be competent to sit as a member of any board, or assign one or two other members thereto, in the absence or inability of any one or two members of such board. Each of the boards of three general appraisers, or a majority thereof, shall have full power to hear and determine all cases and questions arising therein or assigned thereto; and the general board of nine general appraisers, and each of the general appraisers of merchandise, shall have all the jurisdiction and powers and proceed as now, heretofore, and herein provided. The said board of nine general appraisers shall have power to establish from time to time such rules of evidence, practice, and procedure, not inconsistent with the statutes, as may be deemed necessary for the conduct and uniformity of its proceedings and decisions and the proceedings and decisions of the boards of three thereof; and for the production, care, and custody of samples and records of said board. The president of the board shall have control of the fiscal affairs and the clerical force of the board, make all recommendations for appointment, promotion, and otherwise affecting said clerical force; he may at any time before trial under the rules of said board assign or reassign any case for hearing, determination, or both, and shall designate a general appraiser or a board of general appraisers to proceed to any port within the jurisdiction of the United States for the purpose of hearing, or determining if authorized by law, causes assigned for hearing at such port, and shall cause to be prepared and duly promulgated dockets thereof. No member of any of said boards shall sit to hear or decide any case on appeal in the decision of which he may have previously participated. The board of three general appraisers, or a majority of them, who decided the case, may, upon motion of either party made within thirty days next after their decision, grant a rehearing or retrial of said case when in their opinion the ends of justice may require it.

"Sec. 13. That the appraiser shall revise and correct the reports of the assistant appraisers as he may judge proper, and the appraiser, or, at ports where there is no appraiser, the person acting as such, shall report to the collector his decision as to the value of the merchandise appraised. At ports where there is no appraiser the certificate of the customs officer to whom is committed the estimating and collection of duties, of the dutiable value of any merchandise required to be appraised, shall be deemed and taken to be the appraisement of such merchandise. If the collector shall deem the appraisement of any imported merchandise too low, he may, within sixty days thereafter, appeal to reappraisement, which shall be made by one of the general appraisers, or if the importer, owner, agent, or consignee of such merchandise shall be dissatisfied with the appraisement thereof, and shall have complied with the requirements of law with respect to the entry and appraisement of merchandise, he may within ten days thereafter give notice to the collector, in writing, of such dissatisfaction. The decision of the general appraiser in cases of reappraisement shall be final and conclusive as to the dutiable value of such merchandise against all parties interested therein, unless the importer, owner, consignee, or agent of the merchandise shall be dissatisfied with such decision, and shall, within ten days thereafter, give notice to the collector, in writing, of such dissatisfaction, or unless the collector shall deem the reappraisement of the merchandise too low, and shall within ten days thereafter appeal to re-appraisement; in either case the collector shall transmit the invoice and all the papers appertaining thereto to the board of nine general appraisers, to be by rule thereof duly assigned for determination. In such cases the general appraiser and boards of general appraisers shall proceed by all reasonable ways and means in their power to ascertain, estimate, and determine the dutiable value of the imported merchandise, and in so doing may exercise both judicial and inquisitorial functions. In such cases hearings may in the discretion of the General Appraiser or Board of General Appraisers before whom the case is pending be open and in the presence of the importer or his attorney and any duly authorized representative of the Government, who may in like discretion examine and cross-examine all witnesses produced. The decision of the appraiser, or single general appraiser in case of no appeal, and of the board of three general appraisers in all reappraisement cases, shall be final and conclusive against all parties and shall not be subject to review in any manner for any cause in any tribunal or court, and the collector or the person acting as such shall ascertain, fix, and liquidate the rate and amount of the duties to be paid on such merchandise, and the dutiable costs and charges thereon, according to law.

"Sec. 14. That the decision of the collector as to the rate and amount of duties chargeable upon imported merchandise, including all dutiable costs and charges, and as to all fees and exactions of whatever character (except duties on tonnage), shall be final and conclusive against all persons interested therein, unless the owner, importer, consignee, or agent of such merchandise, or the person paying such fees, charges, and exactions other than duties, shall, within fifteen days after

but not before such ascertainment and liquidation of duties, as well in cases of merchandise entered in bond as for consumption, or within fifteen days after the payment of such fees, charges, and exactions, if dissatisfied with such decision, give notice in writing to the collector, setting forth therein distinctly and specifically, and in respect to each entry or payment, the reasons for his objections thereto, and if the merchandise is entered for consumption shall pay the full amount of the duties and charges ascertained to be due thereon. Upon such notice and payment the collector shall transmit the invoice and all the papers and exhibits connected therewith to the board of nine general appraisers, for due assignment and determination as hereinbefore provided, such determination shall be final and conclusive upon all persons interested therein, and the record shall be transmitted to the proper collector or person acting as such, who shall liquidate the entry accordingly, except in cases where an application shall be filed in the United States court of customs appeals within the time and in the manner provided for in this act.

"Sec. 15. That the general appraisers, or any of them, are hereby authorized to administer oaths, and said general appraisers, the boards of general appraisers, the local appraisers or the collectors, as the case may be, may cite to appear before them, and examine upon oath any owner, importer, agent, consignee, or other person touching any matter or thing which they, or either of them, may deem material respecting any imported merchandise, in ascertaining the dutiable value or classification thereof; and they, or either of them, may require the production of any letters, accounts, or invoices relating to said merchandise, and may require such testimony to be reduced to writing, and when so taken it shall be filed in the office of the collector, and preserved for use or reference until the final decision of the collector or said board of appraisers shall be made respecting the valuation or classification of said merchandise, as the case may be.

"Sec. 16. That if any person so cited to appear shall neglect or refuse to attend, or shall decline to answer, or shall refuse to answer in writing any interrogatories, and subscribe his name to his deposition, or to produce such papers when so required by a general appraiser, or a Board of General Appraisers, or a local appraiser or a collector, he shall be liable to a penalty of \$100; and if such person be the owner, importer, or consignee, the appraisement which the general appraiser, or Board of General Appraisers, or local appraiser or collector, where there is no appraiser, may make of the merchandise shall be final and conclusive; and any person who shall willfully and corruptly swear falsely on an examination before any general appraiser, or Board of General Appraisers, or local appraiser or collector, shall be deemed guilty of perjury; and if he is the owner, importer, or consignee, the merchandise shall be forfeited.

"Sec. 17. That all decisions of the general appraisers and of the boards of general appraisers respecting values and rates of duty shall be preserved and filed and shall be open to inspection under proper regulations to be prescribed by the Secretary of the Treasury. All decisions of the general appraisers shall be reported forthwith to the Secretary of the Treasury and to the Board of General Appraisers on duty at the port of New York, and the report to the board shall be accompanied, whenever practicable, by samples of the merchandise in question, and it shall be the duty of the said board, under the direction of the Secretary of the Treasury, to cause an abstract to be made and published of such decisions of the appraisers as they may deem important and of the decisions of each of the general appraisers and boards of general appraisers, which abstract shall contain a general description of the merchandise in question and of the value and rate of duty fixed in each case, with reference, whenever practicable, by number or other designation, to samples deposited in the place of samples at New York, and such abstract shall be issued from time to time at least once in each week for the information of customs officers and the public.

"Sec. 18. That whenever imported merchandise is subject to an ad valorem rate of duty, or to a duty based upon or regulated in any manner by the value thereof, the duty shall be assessed upon the actual market value or wholesale price thereof, at the time of exportation to the United States, in the principal markets of the country from whence exported; that such actual market value is the price at which such merchandise is freely offered for sale to all purchasers in said markets, and is the price which the manufacturer or owner would have received, and was willing to receive, for such merchandise when sold in the ordinary course of trade in the usual wholesale quantities, including the value of all cartons, cases, crates, boxes, sacks, casks, barrels, hogsheads, bottles, jars, demijohns, carboys, and other containers or coverings, whether holding liquids or solids, which are not otherwise specially subject to duty under any paragraph of the tariff act, and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, and if there be used for covering or holding imported merchandise, whether dutiable or free, any unusual article or form designed for use otherwise than in the bona fide transportation of such merchandise to the United States, additional duty shall be levied and collected upon such material or article at the rate to which the same would be subjected if separately imported. That the words "value," or "actual market value," or "wholesale price," whenever used in this act, or in any law relating to the appraisement of imported merchandise, shall be construed to be the actual market value or wholesale price of such, or similar merchandise comparable in value therewith, as defined in this act.

"Sec. 19. Any merchandise deposited in any public or private bonded warehouse may be withdrawn for consumption within three years from the date of original importation, on payment of the duties and charges to which it may be subject by law at the time of such withdrawal: *Provided*, That nothing herein shall affect or impair existing provisions of law in regard to the disposal of perishable or explosive articles.

"Sec. 20. That in all suits or informations brought, where any seizure has been made pursuant to any act providing for or regulating the collection of duties on imports or tonnage, if the property is claimed by any person, the burden of proof shall lie upon such claimant: *Provided*, That probable cause is shown for such prosecution, to be judged of by the court.

"Sec. 21. That all fees exacted and oaths administered by officers of the customs, except as provided in this act, under or by virtue of existing laws of the United States, upon the entry of imported goods and the passing thereof through the customs, and also upon all entries of domestic goods, wares, and merchandise for exportation, be, and the same are hereby, abolished; and in case of entry of merchandise for exportation, a declaration, in lieu of an oath, shall be filed, in such form and under such regulations as may be prescribed by the Secretary of the Treasury; and the penalties provided in the sixth section of this



act for false statements in such declaration shall be applicable to declarations made under this section: *Provided*, That where such fees, under existing laws, constitute, in whole or in part, the compensation of any officer, such officer shall receive, from and after the passage of this act, a fixed sum for each year equal to the amount which he would have been entitled to receive as fees for such services during said year.

"Sec. 22. That no allowance for damage to goods, wares, and merchandise imported into the United States, including decay, injury, or destruction by rot or fruits or any other merchandise, shall hereafter be made in the estimation and liquidation of duties thereon, except in cases where such goods may have been seized and destroyed under orders issued by any lawfully constituted board of health, but the importer thereof may, within ten days after entry, abandon to the United States all or any portion of goods, wares, and merchandise included in any invoice and be relieved from the payment of the duties on the portion so abandoned: *Provided*, That the portion so abandoned shall amount to 10 per cent or over of the total value or quantity of the invoice, and the property so abandoned, if of any value, shall be sold by public auction or otherwise disposed of for the account and credit of the United States under such regulations as the Secretary of the Treasury may prescribe. The right of abandonment herein provided for may be exercised whether the thing abandoned has any market value or not.

"Sec. 23. That whenever it shall be shown to the satisfaction of the Secretary of the Treasury that, in any case of unascertained or estimated duties, or payments made upon appeal, more money has been paid to or deposited with a collector of customs than, as has been ascertained by final liquidation thereof, the law required to be paid or deposited, the Secretary of the Treasury shall direct the Treasurer to refund and pay the same out of any money in the Treasury not otherwise appropriated. The necessary moneys therefor are hereby appropriated, and this appropriation shall be deemed a permanent indefinite appropriation; and the Secretary of the Treasury is hereby authorized to correct manifest clerical errors in any entry or liquidation, for or against the United States, at any time within one year of the date of such entry, but not afterwards: *Provided*, That the Secretary of the Treasury shall, in his annual report to Congress, give a detailed statement of the various sums of money refunded under the provisions of this act or of any other act of Congress relating to the revenue, together with copies of the rulings under which repayments were made.

"Sec. 24. That from and after the taking effect of this act, no collector or other officer of the customs shall be in any way liable to any owner, importer, consignee, or agent of any merchandise, or any other person, for or on account of any rulings or decisions as to the classification of said merchandise or the duties charged thereon, or the collection of any dues, charges, or duties on or on account of said merchandise, or any other matter or thing as to which said owner, importer, consignee, or agent of such merchandise might, under this act, be entitled to appeal from the decision of said collector or other officer, or from any board of appraisers provided for in this act.

"Sec. 25. That any person who shall give, or offer to give, or promise to give, any money or thing of value, directly or indirectly, to any officer or employee of the United States in consideration of or for any act or omission contrary to law in connection with or pertaining to the importation, appraisement, entry, examination, or inspection of goods, wares, or merchandise, including herein any baggage or of the liquidation of the entry thereof, or shall by threats or demands or promises of any character attempt to improperly influence or control any such officer or employee of the United States as to the performance of his official duties shall, on conviction thereof, be fined not exceeding \$2,000, or be imprisoned at hard labor not more than one year, or both, in the discretion of the court; and evidence of such giving, or offering, or promising to give, satisfactory to the court in which such trial is had, shall be regarded as prima facie evidence that such giving or offering or promising was contrary to law, and shall put upon the accused the burden of proving that such act was innocent and not done with an unlawful intention.

"Sec. 26. That any officer or employee of the United States who shall, excepting for lawful duties or fees, solicit, demand, exact, or receive from any person, directly or indirectly, any money or thing of value in connection with or pertaining to the importation, appraisement, entry, examination, or inspection of goods, wares, or merchandise, including herein any baggage or liquidation of the entry thereof, on conviction thereof shall be fined not exceeding \$5,000 or be imprisoned at hard labor not more than two years, or both, in the discretion of the court; and evidence of such soliciting, demanding, exacting, or receiving, satisfactory to the court in which such trial is had, shall be regarded as prima facie evidence that such soliciting, demanding, exacting, or receiving was contrary to law, and shall put upon the accused the burden of proving that such act was innocent and not with an unlawful intention.

"Sec. 27. That any baggage or personal effects arriving in the United States in transit to any foreign country may be delivered by the parties having it in charge to the collector of the proper district, to be by him retained, without the payment or exaction of any import duty, or to be forwarded by such collector to the collector of the port of departure and to be delivered to such parties on their departure for their foreign destination, under such rules and regulations as the Secretary of the Treasury may prescribe.

"Sec. 28. That sections 2608, 2838, 2839, 2841, 2843, 2845, 2853, 2854, 2856, 2858, 2860, 2900, 2902, 2905, 2907, 2908, 2909, 2922, 2923, 2924, 2927, 2929, 2930, 2931, 2932, 2943, 2945, 2952, 3011, 3012, 3013, 3013 of the Revised Statutes of the United States, be, and the same are hereby, repealed, and sections 9, 10, 11, 12, 14, and 16 of an act entitled 'An act to amend the customs-revenue laws and to repeal moieties,' approved June 22, 1874, and sections 7, 8, and 9 of the act entitled 'An act to reduce internal-revenue taxation, and for other purposes,' approved March 3, 1883, and all other acts and parts of acts inconsistent with the provisions of this act, are hereby repealed, but the repeal of existing laws or modifications thereof embraced in this act shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause before the said repeal or modifications; but all rights and liabilities under said laws shall continue and may be enforced in the same manner as if said repeal or modifications had not been made. Any offenses committed, and all penalties or forfeitures or liabilities incurred prior to the passage of this act under any statute embraced in or changed, modified, or repealed by this act may be prosecuted and punished in the same manner and with the same effect as if this act had not been passed. All acts of limitation, whether applicable to civil causes or proceedings or to the prosecution of offenses or for the recovery of penalties or forfeitures embraced in or modified, changed, or repealed by this act, shall not be affected thereby; and all suits, proceedings, or prosecutions, whether civil or criminal, for causes arising or acts

done or committed prior to the passage of this act, may be commenced and prosecuted within the same time and with the same effect as if this act had not been passed: *And provided further*, That nothing in this act shall be construed to repeal the provisions of section 3058 of the Revised Statutes as amended by the act approved February 23, 1887, in respect to the abandonment of merchandise to underwriters or the salvors of property, and the ascertainment of duties thereon.

"Sec. 29. That a United States court of customs appeals is hereby created, and said court shall consist of a presiding judge and four associate judges appointed by the President, by and with the advice and consent of the Senate, each of whom shall receive a salary of \$10,000 per annum. It shall be a court of record, with jurisdiction as hereinafter established and limited.

"Said court shall prescribe the form and style of its seal and the form of its writs and other process and procedure and exercise such powers conferred by law as may be conformable and necessary to the exercise of its jurisdiction. It shall have the services of a marshal, with the same duties and powers, under the regulations of the court, as are now provided for the marshal of the Supreme Court of the United States, so far as the same may be applicable, said services to be performed by the United States marshals in and for the districts where sessions of said court may be held, and to this end said marshals shall be the marshals of said court of customs appeals. The court shall appoint a clerk, whose office shall be in the city of New York, and who shall perform and exercise the same duties and powers in regard to all matters within the jurisdiction of said court as are now exercised and performed by the clerk of the Supreme Court of the United States, so far as the same may be applicable. The salary of the clerk shall be \$4,000 per annum, which sum shall be in full payment for all service rendered by such clerk, and all fees of any kind whatever, and all costs shall be by him turned into the United States Treasury. Said clerk shall not be appointed by the court or any judge thereof as a commissioner, master, receiver, or referee. The costs and fees in the said court shall be fixed and established by said court in a table of fees to be adopted and approved by the Supreme Court of the United States within three months after the organization of said court: *Provided*, That the costs and fees so fixed shall not, with respect to any item, exceed the costs and fees charged in the Supreme Court of the United States; and the same shall be expended, accounted for, and paid over to the Treasury of the United States. The court shall have power to establish all rules and regulations for the conduct of the business of the court and as may be needful for the uniformity of decisions within its jurisdiction as conferred by law.

"The said United States court of customs appeals shall always be open for the transaction of business, and sessions thereof may be held annually, or oftener, by the said court, in the several judicial circuits, at the following places: In the first circuit, in the city of Boston; in the second circuit, in the city of New York; in the third and fourth circuits, in the cities of Philadelphia and Baltimore; in the fifth circuit, in the cities of New Orleans and Galveston; in the sixth, seventh, and eighth circuits, in the city of Chicago; in the ninth circuit, in the cities of Seattle, Portland, and San Francisco; and in such other places in each of the above circuits as said court may from time to time designate.

"The presiding judge of said court shall be so designated in order of appointment and in the commission issued him by the President, and the associate judges shall have precedence according to the date of their commissions. Any three of the members of said court shall constitute a quorum.

"The said court shall organize and open for the transaction of business in the city of New York within ninety days after the judges, or a majority of them, shall have qualified.

"After the organization of said court no appeal shall hereafter be taken or allowed from any board of United States general appraisers to any other court, and no appellate jurisdiction shall hereafter be exercised or allowed by any other courts in cases decided by said Board of United States General Appraisers; but all appeals allowed by law from such Board of General Appraisers shall be subject to review only in the United States court of customs appeals hereby established according to the provisions of this act.

"The court of customs appeals established by this act shall exercise exclusive appellate jurisdiction to review by appeal, as provided by this act, final decisions by a board of general appraisers in all cases as to the construction of the law and the facts respecting the classification of merchandise and the rate of duty imposed thereon under such classification, and the fees and charges connected therewith, and all appealable questions as to the jurisdiction of said board, and all appealable questions as to the laws and regulations governing the collection of the customs revenues; and the judgment or decrees of said court of customs appeals shall be final in all such cases.

"Any judge who, in pursuance of the provisions of this act, shall attend a session of the court of customs appeals held at any place other than the city of New York shall be paid, upon his written and itemized certificate, by the marshal of the district in which the court shall be held, his actual and necessary expenses incurred for travel and attendance, and the actual and necessary expenses of one stenographic clerk who may accompany him, and such payments shall be allowed the marshal in the statement of his accounts with the United States.

"The marshals of the several districts in which said court of customs appeals may be held shall, under the direction of the Attorney-General of the United States and with his approval, provide such rooms in the public buildings of the United States as may be necessary for said court: *Provided, however*, That in case proper rooms can not be provided in such buildings, then the said marshals, with the approval of the Attorney-General of the United States, may, from time to time, lease such rooms as may be necessary for said court. The bailiffs and messengers of said court shall be allowed the same compensation for their respective services as are allowed for similar services in the existing circuit courts; and in no case shall said marshals secure other rooms than those regularly occupied by existing circuit courts of appeals, circuit courts, or district courts, or other public officers, except where such can not, by reason of actual occupancy or use, be occupied by said court of customs appeals.

"If the importer, owner, consignee, or agent of any imported merchandise, or the collector or Secretary of the Treasury, shall be dissatisfied with the decision of the Board of General Appraisers as to the construction of the law and the facts respecting the classification of such merchandise and the rate of duty imposed thereon under such classification, or with any other appealable decision of said board, they or either of them, may, within sixty days next after the entry of such decree or judgment, and not afterwards, apply to the United States court of customs appeals for a review of the questions of law and fact involved in such decision: *Provided*, That in Alaska and in

the insular and other outside possessions of the United States ninety days shall be allowed for making such application to the United States court of customs appeals. Such application shall be made by filing in the office of the clerk of said court a concise statement of errors of law and fact complained of, and a copy of said statement shall be served on the collector, or on the importer, owner, consignee, or agent, as the case may be. Thereupon the court shall immediately order the Board of General Appraisers to transmit to said court the record and evidence taken by them, together with the certified statement of the facts involved in the case and their decisions thereon; and all the evidence taken by and before said board shall be competent evidence before said court of customs appeals. The decision of said court of customs appeals shall be final, and such cause shall be remanded to said Board of General Appraisers for further proceedings to be taken in pursuance of such determination.

"Immediately upon the organization of the United States court of customs appeals all cases within the jurisdiction of that court now pending and not submitted for decision in any of the United States circuit courts of appeals, United States circuit, territorial, or district courts, shall, with the record and samples therein, be certified by said courts to said United States court of customs appeals for further proceedings in accordance herewith: *Provided*, That where orders for the taking of further testimony before a referee have been made in any of such cases, the taking of such testimony shall be completed before such certification.

"That in case of a vacancy or the temporary inability or disqualification for any reason of one or two judges of said court of customs appeals, the President of the United States may, upon the request of the presiding judge of said court, designate any qualified United States circuit or district judge or judges to act in his or their place, and such United States judge or judges shall be duly qualified to so act.

"Said United States court of customs appeals shall have power to review any decision or matter within its jurisdiction and may affirm, modify, or reverse the same and remand the case with such orders as may seem to it proper in the premises, which shall be executed accordingly.

"Immediately upon receipt of any record transmitted to said court for determination the clerk thereof shall place the same upon the calendar for hearing and submission; and such calendar shall be called and all cases thereupon submitted, except for good cause shown, at least once every sixty days.

"In addition to the clerk of said court the court may appoint an assistant clerk at a salary of \$2,000 per annum, three stenographic clerks at a salary of \$2,400 per annum each, and one stenographic reporter at a salary of \$2,500 per annum, and a messenger at a salary of \$900 per annum, all payable in equal monthly installments, and all of whom, including the clerk, shall hold office during the pleasure of and perform such duties as are assigned them by the court. Said reporter shall prepare and transmit to the Secretary of the Treasury once a week in time for publication in the Treasury Decisions copies of all decisions rendered to that date by said court, and prepare and transmit, under the direction of said court, at least once a year, reports of said decisions rendered to that date, constituting a volume, which shall be printed by the Treasury Department in such numbers and distributed or sold in such manner as the Secretary of the Treasury shall direct. The United States marshal for the southern district of New York is hereby authorized to purchase, under the direction of the presiding judge, such books, periodicals, and stationery as may be necessary for the use of said court, and such expenditures shall be allowed the marshal in the statement of his accounts with the United States.

"Sec. 30. That there shall be appointed by the President, by and with the advice and consent of the Senate, an Assistant Attorney-General, who shall exercise the functions of his office under the supervision and control of the Attorney-General of the United States, and who shall be paid a salary of \$10,000 per annum; and there shall also be appointed by the Attorney-General of the United States a Deputy Assistant Attorney-General, who shall be paid a salary of \$7,500 per annum, and four attorneys, who shall be paid salaries, one of \$6,000, and the other three of \$5,000 per annum each. Said attorneys shall act under the immediate direction of said Assistant Attorney-General, or, in case of his absence or a vacancy in his office, under the direction of said Deputy Assistant Attorney-General, and said Assistant Attorney-General, Deputy Assistant Attorney-General, and attorneys shall have charge of the interests of the Government in all matters of reappraisal and classification of imported goods and of all litigation incident thereto, and shall represent the Government in all the courts wherein the interests of the Government require such representation."

#### ADJOURNMENT TO MONDAY.

Mr. ALDRICH. I move that when the Senate adjourns today, it adjourn to meet on Monday next.

The motion was agreed to.

#### HOUR OF MEETING.

Mr. ALDRICH. I move that the daily sessions of the Senate on and after Monday next, until further ordered, shall begin at 11 o'clock a. m.

Mr. HEYBURN. I should like to inquire about that. There is a very slim attendance at this time.

Mr. ALDRICH. I think everybody understands it is to be done.

Mr. HEYBURN. They may understand it is to be done—

Mr. ALDRICH. If the Senator raises the point, of course—

Mr. HEYBURN. I shall not be obdurate about it at all. I merely desired to know if it was something that met with general approval. I do not believe in varying the rules of this body. It detracts from its dignity and traditions.

Mr. ALDRICH. It is very evident that if we are to dispose of the tariff bill we must have earlier hours of meeting and later sessions.

Mr. HEYBURN. We have seldom been able to get a quorum here before 12 o'clock when we have met at an earlier hour than that.

Mr. ALDRICH. I shall make the motion Monday.

Mr. HEYBURN. I shall not make any objection.

Mr. ALDRICH. I think Senators understood about the motion.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

Mr. KEAN. I move that the Senate adjourn.

The motion was agreed to, and (at 6 o'clock and 5 minutes p. m.) the Senate adjourned until Monday, May 3, 1909, at 11 o'clock a. m.

#### SENATE.

MONDAY, May 3, 1909.

The Senate met at 11 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington, The Vice-President being absent, the President pro tempore took the chair.

The Journal of the proceedings of Friday last was read and approved.

#### PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a petition of certain persons, claiming to be American citizens, imprisoned at Habana, Cuba, praying that certain relief be granted them, which was referred to the Committee on Foreign Relations.

Mr. BRADLEY presented petitions of sundry citizens of Covington, Falmouth, Salt Lick, Neola, Center Point, Gifford, Cleaton, Faubush, Jonesville, Cold Valley, Burgin, Indian Fields, Mount Sterling, Hampton, Newport, and Burnside, all in the State of Kentucky, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. OLIVER presented petitions of sundry citizens of Addison, Pa., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. GALLINGER presented telegrams in the nature of petitions from Mrs. Rose M. Vontobel, of Lebanon; Mrs. Dwight Hall, of Dover; Mrs. Laura E. Benton, of Manchester; Mabelle Hill True, of Laconia; Jennie T. Gingras, of Laconia; Bessie M. Houghton, of Laconia; and Mrs. George H. Tilton, of Laconia, all in the State of New Hampshire, praying for an increase of the duty on imported hosiery, which were ordered to lie on the table.

Mr. PERKINS presented a joint resolution of the legislature of California, which was referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

Senate joint resolution 20.

Adopted in senate March 16, A. D. 1909.

LEWIS A. HILBORN,  
Secretary of the Senate.

Adopted in assembly March 18, A. D. 1909.

Clio LLOYD,  
Chief Clerk of the Assembly.

This resolution was received by the governor this 20th day of March, A. D. 1909.

E. C. COOPER,  
Private Secretary of the Governor.  
STATE OF CALIFORNIA,  
DEPARTMENT OF STATE.

I, C. F. Curry, secretary of the State of California, do hereby certify that I have carefully compared the annexed copy of senate joint resolution No. 20, chapter 37, laws of 1909, with the original now on file in my office, and that the same is a correct transcript thereof and of the whole thereof. Also, that this authentication is in due form and by the proper officer.

Witness my hand and the great seal of state, at office in Sacramento, Cal., the 26th day of April, A. D. 1909.

[SEAL.]  
C. F. CURRY,  
Secretary of State.  
By J. HOESCH, Deputy.

#### Chapter 37.

Senate joint resolution No. 20, relating to a bill in Congress extending pension laws to include the First Battalion Mountaineers, California Volunteers, who served during the late war of the rebellion.

Whereas the officers and privates of the First Battalion Mountaineers, California Volunteers, served during the war of the rebellion against the Indians of the frontier counties; and

Whereas under the provisions of the general pension laws and the several special pension acts said volunteers have always been held entitled to the benefit of said pension laws and have for many years received pensions from the Government for said service during the rebellion, which pensions have been in most cases the only means of support of these old volunteer soldiers; and

Whereas under a recent ruling of the Department of the Interior it has been held that the pension laws do not include the volunteer soldiers who fought during the war of the rebellion against the Indians; and

Whereas there is now pending in the Congress of the United States a bill introduced in the Senate and House of Representatives to extend the provisions of the pension laws to include the officers and privates of the First Battalion Mountaineers, California Volunteers, who served during the late war of the rebellion and were honorably discharged, and to the widows and minor children of such volunteer soldiers: Therefore be it